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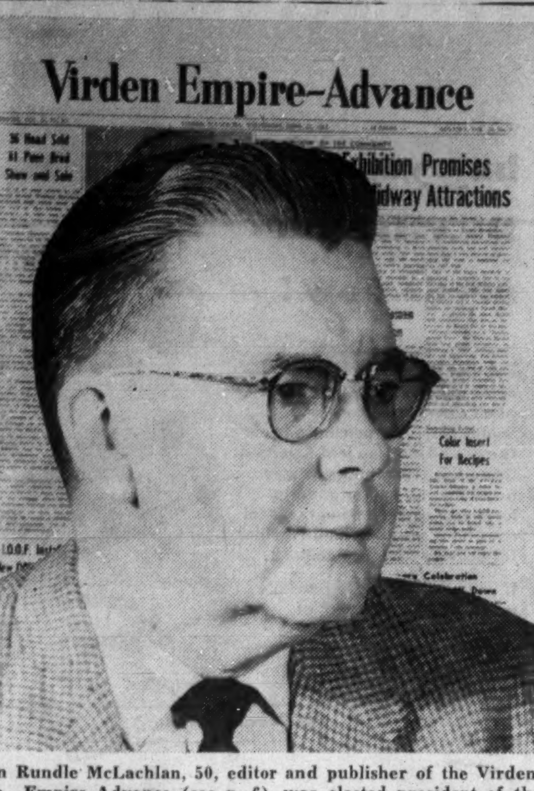
Speaks for the Weeklies



John Rundle McLachlan, 50, editor and publisher of the Virden, Man., Empire-Advance (see p. 6), was elected president of the Canadian Weekly Newspapers Association at its 42nd annual meeting in Halifax this week. The association's 520 member newspapers have a combined circulation of over one million.

NATION'S BUSINESS

More Pensions Less Politics?

Prevailing Canadian opinion in 1961 is that man *is* his brother's keeper and that the welfare state is here to stay. The latest development on the welfare front, Ontario Premier Frost's proposed new "portable" pension scheme, gives further recognition to prevailing public opinion on this matter.

The Ontario government's plan—presented this week for discussion at the premiers' conference in Charlottetown—would require all employers of more than 15 persons to set up pension plans. It would require all employees to build up for themselves a worthwhile retirement stake, despite their moves from one job to another. Plainly, the Ontario premier believes it would be very much in the public interest if all provinces were to introduce similar legislation.

Economically as well as politically, the cries for increased pensions from the government are bound to increase in force. These cries provide a constant temptation to governments eager to win votes. Ottawa's $55 a month old age security cheques may be big stuff in rural districts, but as any bona fide pensioner can attest, $55 doesn't go far or last long in the growing and dominant urban areas.

The basic question raised by the Frost proposal is this: If change on the pension front is inevitable, what, in the national interest, is the best way of going about it?

One possibility is to add on to Canada's universal $55 a month pensions an elaborate, expensive and state-run contributory scheme such as that which exists in the U. S.

The Frost portable pension plan avoids that extension of government intervention and bureaucracy and leaves pension arrangements and pension investments in the hands of independently owned business and the individuals involved. It does not make pension costs a part of the tax system, nor their administration a new job for government.

The actual arrival of the portable pension may not be near at hand. To work best, portable pensions should be the vogue in all provinces and that certainly will take time.

One very great benefit of the portable pension, its supporters are quick to point out, is this: It encourages manpower mobility and that, in a fast-changing economy, is much to be desired.

Crowding in the Upper Brackets

The portable pension plan costs money. It takes money from employers and employees.

The Frost plan requires all companies and organizations of any size to institute minimum-standard pension plans. There are now about 12,000 company pension arrangements covering perhaps 2 million Canadian workers, or about 33% of the total work force. Any nation-wide portable pension scheme would call for an estimated 10,000 additional plans covering, probably, another million employees.

Another feature of portable pensions would also add to the employer's cost of doing business: To guarantee pension fund solvency and to provide pension contributions for departing employees, Canadian companies, within a very short period, would have to set aside tens of millions of dollars. No longer could companies wait, as some now do, until the employee reaches retirement before translating the company's liability into readily available cash. (See p. 13.)

Opponents of making pensions portable will also argue that the move has come too soon. Private pension arrangements have, in the last decade and a half, tripled the number of Canadians enabled to provide on their own for their own old age. They argue that this voluntary expansion of pensions should be given a fair chance to spread.

This view may find support from some individual workers and some union members. The reason: Not only would employees be required to join a pension fund, but they would not, under the Frost scheme, be allowed to withdraw their own contributions in cash when quitting a job.

There will be much contention, much pulling and pushing, over the portable pension principle. This at least has the merit of opening the way to a better informed discussion of how Canada's pension arrangements can be improved and to fuller public understanding of the heavy costs involved.

But this much is sure: Providing for old age is a very urgent problem of the last half of the twentieth century. With life expectancy now 20-25 years or 40%-50% greater than it was in 1900, getting ready for retirement is now a profoundly urgent problem for the majority of our population.

Better Materials Bringing Switch To Two-Ply Tires

By W. L. DACK

Quietly, with a minimum of publicity, Canadian auto manufacturers are making one of the biggest tire changes in history — from four-ply to two-ply tires.

Virtually all the 1962 compact models will carry the two-ply tire and before long many of the 1962 standard models will switch as well.

But auto makers — and even more so the tire manufacturers — are moving cautiously on the change.

They are concerned about possible motorist reaction.

Though impressed themselves with results of extensive testing on the two-ply tire in both light and medium-weight vehicles, auto makers are hesitating to firm up full-scale tire orders for the heavier 14-in. wheels of the standard models.

They prefer to wait a month or two to see how the two-ply fares on the new compacts.

"But the two-ply tire will have to earn its own way," Leland Elbridge Spencer, president of **Goodyear Tire & Rubber Co. of Canada,** told **FP** this week. "And it will do that gradually."

Goodyear is ready to supply the two-ply tire in the 14-in. wheel size right now.

Firestone Tire & Rubber Co. of Canada has recently announced plans to produce two-ply tires for next year's models of several standard sizes of

(Continued on page 2, col. 3)

Expensive Defence Svstem Too Comolicated to Work?

From Our Own Correspondent

WASHINGTON — Another air defence headache could be ahead for Canada.

Some military officials in Washington are worried that the SAGE air defence electronic brain has become almost too complicated to be relied upon in an emergency.

Canada is installing a huge SAGE centre at North Bay, which should be ready in about a year's time.

The U. S. has SAGE centres dotted across the northern part of the country.

The incredibly complicated electronic brain is supposed to track incoming enemy planes, to despatch and aim interceptors and Bomarcs.

With fantastic speed it receives "inputs" from the radars along the northern perimeter of North America and directs the interception.

But does the thing work well enough? Defense Secretary Robert MacNamara is reported to have expressed some concern to a Congressional Committee about the reliability of SAGE.

So have a number of military officials.

The Canadian SAGE scheme is supposed to provide protection in depth for the industrial northeast of the U. S. and incidentally, for the Ottawa-Toronto-Hamilton area.

Ottawa decided to construct the highly expensive SAGE centre in a deal with Washington over installation of Bomarc missiles in Quebec and Ontario.

"There is one hell of a margin for error in these things," one Pentagon official told **FP**.

"It has always been a problem but we hope most of the bugs are out of it."

SAGE has been plagued with many difficulties because of the complexity of the system.

It involves monstrous computers and other equipment almost straight out of Buck Rogers.

Deal May Aid Our Textiles

OTTAWA (Staff)—Canada's textile industry may get some indirect help in its battle against import competition.

A new GATT textile agreement would open the markets of key industrial nations of Europe to the textile exports of Japan, India, Pakistan and Hong Kong.

If it is ratified, it will relieve a lot of pressure on Canadian textiles which have been hit by lower-priced products from Japan and Hong Kong.

See page 15 for details.

The proposed agreement would open "significantly" the European markets to Asian cotton textiles which now are protected by quotas.

Right now, the European common market countries restrict such textile imports far more stringently than does Canada.

COMBINES CONFUSION CLEARS

How You Can and Can't Talk Prices Under Law

Trade associations have long been in doubt over their activities in relation to anti-combines legislation.

But now a new confidence is beginning to break surface as some of the doubts are dispersed, and areas of legal activity become more clearly defined.

Latest move is by the Canadian Steel Warehouse Association, now taking steps to tell its members what can be done WITHIN anti-combines law, as well as what CAN'T be done.

By NEVILLE NANKIVELL

Some of the confusion among trade associations on what they can and can't do under anti-combines legislation appears to be clearing.

Latest indication is a plan by the Canadian Steel Warehouse Association to advise its members to adopt an open price policy (see box).

This move follows talks by D. H. W. Henry, Canada's combines investigation chief, in which he made plain that trade associations have an important role to play in ironing out problems under anti-combines laws.

He offered to discuss problems frankly with any association in an attempt to clarify what activities are legal and what are illegal.

The CSWA, with 60 members throughout Canada who have aggregate sales of $110 million, took him up on it.

Other industries are watching the results closely. Their associations may be able to take similar steps.

The CSWA felt its own activities, and the industry's marketing policies, could be guided if a set of rules were put together in laymen's language.

Officials of the group met with Henry and were told that, while there could be no recommendation that an industry adopt any particular methods or practices, the combines department would advise them whether or not their plans were in conflict with the law.

As a result, the CSWA, with legal assistance, has produced a pamphlet containing a summary of important provisions of the Act, and a recommendation that it would be in the best interests of the industry for its members to adopt an open price policy.

This would involve issuing to the public information on prices at which firms are prepared to sell. The pamphlet will be distributed among the trade.

Henry told the CSWA the pamphlet does not appear to be in conflict with the Combines Investigation Act.

But he made it clear that, "if the industry adopts the principles as stated in the pamphlet, very great caution ought to be exercised in the way they are administered.

"While the preparation and publication of price lists arrived at by independent decision on the part of each of the suppliers concerned would be unobjectionable," he wrote the group, "any use of such price lists, or other disclosures, as part of an express or tacit agreement or understanding among competitors to limit competition, would inevitably be cause for enquiry under the Act."

A CSWA spokesman told **FP** "there is a big job to do in informing members of the industry and the consuming trade what can be done within the law as well, as what cannot be done."

He said the advantage of the CSWA plan is that, if each firm decides to announce publicly its complete price schedule, a state of orderly competitive marketing would evolve. This would be healthy for both consumer and supplier.

"Each supplier would want to ensure his prices were competitive with the lowest price published," he said. "If all prices were readily available, this would present no difficulties."

Would the plan itself lead to an understanding amongst competitors as to the going price?

CSWA spokesman: "Most firms realize anti-combines legislation is a permanent fixture in the business environment. We have got to live with it. As individuals we want to exist within the law and free from recriminations of the law.

"If marketing is orderly — meaning the absence of cut-throat price wars — the need for some industries to rig prices out of sheer desperation is not there.

"Price leadership is the competitive factor that governs the price, and it may not be the biggest firm who sets the pace. Price reductions brought about by greater efficiency is progress."

The combines branch, although dedicated to preserving free competition among sellers, doesn't require continuous

(Continued on page 10, col. 1)

How Producers are Betting On Price Hike for Silver

Canada's silver producers are betting on a price increase.

They're doing it in two ways.

- **Stockpiling** some silver production.
- **By-passing** some highgrade ore to leave extra-special underground reserve.

And the expectation of a higher price for silver is spreading into industry where the precious metal is used for such items as electric circuit connections, silverplating.

Metal dealers report stepped-up buying from industrial users trying to build up silver inventories.

In the stock market, silver shares have been strong, some at new 1961 highs.

Details p. 39.

Excitement stems from the rapid drop in U.S. government "free" stocks (the western world's biggest supply source) down last week to 74.5 million oz.

Producers contend the present rate of decline of about 7 million oz. monthly will exhaust these reserves by early next year, force a price rise.

In the veteran Ontario silver camp around Cobalt, exploration tempo on old and new ground is rising.

Capping silver interest this week are reports that the Conwest Explorations-Central Patricia prospecting teams in the Yukon have discovered a silver deposit of major size.

Company officials said they didn't have enough information yet to discuss the significance of the find.

Why Foreign Parents Don't Pay Full Tax

Not all foreign parent companies are paying the full 15% withholding tax on dividends imposed by the "Baby Budget" last December.

Tax treaties with the U. K., The Netherlands, Sweden, Ireland, Denmark and Finland have still to be re-negotiated.

Details, p. 17.

Parent firms in these countries will receive dividends at the old rates of withholding tax through 1961 and probably most of 1962.

The rate for U. K. companies is nil.

Dividends transferred to U. K. in 1960 are estimated at $60 million and for the first quarter of 1961 at about $25 million.

Indications are that the U. K. government is pressing British firms to increase dividend payments from overseas subsidiaries.

Negotiations on U. K. treaty revision have not been too smooth.

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

By DALTON ROBERTSON

ALTHOUGH most business executives and company planners still size up the current expansion as one of the mildest of the postwar years in terms of sales and spending, **stock market investors appear to have fewer reservations.**

At mid-week, for example, Toronto Stock Exchange index of industrial stock prices was still hovering close to its record 602 level. **This marks a 10% rise since the recession trough of last February,** a 24% gain since the market began to show new life last October and a 27% jump over the 1960 low of last July.

Ottawa's investors' price index is doing even better. It includes some 91 industrials, banks and utilities—and it's now up 15% from February levels and a full 35% from last October's.

If past experience is any guide, there could be another 10% advance in the market by October or November, using the Ottawa sample as the measuring rod. This means there would be at least a 20% advance since February of this year, the month that the economy began to turn the corner from contraction to expansion.

That expectation is based on the fact that the market is behaving exactly as it has after the last three recessions in the Canadian economy.

Playing its traditional role as a barometer of the economic weather ahead, **the market rose firmly for five months before recovery became evident in the economy as a whole.** Then it went on gathering steam as it became increasingly obvious this past spring that business growth had, in fact, set in again.

Now the market has paused with only five months of economic recovery and expansion behind it—but this, too, is in line with earlier experience.

"This pause has again occurred this June and July, five months after the February recession trough. Stock prices should begin to rise again and with renewed vigor for the next several months," according to W. A. Beckett Associates, Toronto specialists in seasonally adjusted business cycle trends.

Here is what happened to stock prices after the first eight months of earlier Canadian recoveries in business: In 1949, prices, on average, were up 18.5%; in 1954, the gain was 19.5%; in 1958, strongest stock climb made in the early months of any of the postwar business recoveries, the advance was 22%.

This is what took place during the first nine months of

(Continued on page 2, col. 4)

Still a Quick Profit In Penny Long-Shots

By FRANK KAPLAN

Despite a continuing lack of interest in speculative mining and oil stocks, market followers who like to play the penny long-shots have had some chances for a quick turn.

Remember the 22 issues selling at 5c or less listed in **FP** as a base for idle holiday season research (**FP**, Dec. 31)?

These issues were compiled on the basis that price had to be 5c or less and the company had to have at least $25,000 cash or readily marketable securities.

It's the kind of stock selection that's little better than sticking a pin into the daily stock quotations.

And it usually appeals to the person who doesn't bet the horses, play poker or shoot dice yet likes to take the occasional flyer.

The reasoning behind this kind of penny stock selection goes something like this.

It doesn't take much for a 5c stock to double to 10c.

Even a hint that a dormant company might be planning to acquire a property, resume work, can be enough to revive some interest. But it's difficult for a $10 stock to double to $20.

Usually the biggest problem faced by the penny stock player is catching the price flip after he has been sitting for months with a stock position.

He has to have patience and persevere in checking trading often.

The table shows that the penny dogs have provided a few profit-making chances for the long-shot gambler.

- **Each** of the 22 issues traded at a higher price since listed in **FP** at the end of 1960, with seven at least doubling.
- **Fifteen** of those pennies are still above the original price listed, four are below and three haven't changed.
- **Best run** for money was in **Reef Petroleums** which was taken over by new interests, reorganized and re-activated. The original 3½c Reef share reached

(Continued on page 10, col. 1)

Some 'Pennies'

FP showed these stocks as typical "pennies" back in Dec./60. Here's how they've moved since:

	Recent price	Late 1960	— 1961 — High	Low
	(cents per share)			
Bata	5½	3	8½	3½
Bibis	5	5	8½	4½
Cons. Nicholson	3½	2½	6	2½
C. Red Poplar	7½	4½	9	4½
Gulch	4½	4	7	4
Gwillim	5	4	6½	4
Harrison	6	4½	15	4½
Lencourt	4½	4	6½	4
Louvricourt	4	4½	8	4
Majortrans	2	1½	3	1½
Marigold	5	5	9	5
Natl. Explor.	6	3½	11	4
New Senator	6	4	6	4
Nisto	4	4	6	3
Obaska	4½	5	7	4½
Orenada	5	4½	7½	5
Pitch-Ore	3½	4	5	3½
Purdex	3	3½	5½	3
Reef*	10	3½	13½	3½
Vandoo	3½	3	5½	2½
West Malartic	3	2½	4½	2½
Yukeno	5	3½	7	3½

*Adjusted for reorganization into United Reef on one-for-four basis, May/61.

NEXT WEEK

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- Big changes in a Canadian tradition.
- Behind the big travel fees fuss.

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Newfoundland Labor Fight Could Sting Across Canada

From Our Own Correspondent

ST. JOHN'S — Bitter infighting by two powerful woods labor unions here could have wide-ranging repercussions across Canada.

- **It could spark a knock-down battle** for the allegiance of loggers elsewhere in the country.
- **It could deal a sharp blow** to the family peace of the Canadian Labor Congress.

The 37,000-member International Woodworkers of America—bounced out of Newfoundland by legislation two years ago during a strike — have returned to try to win back their ground.

But they have run head-on with the 66,000-member Carpenters Union which has designs of its own on Newfoundland loggers.

Both unions are important CLC affiliates, the Carpenters second biggest.

The IWA, infuriated by the Carpenters' move into Newfoundland woods, has put the CLC on the spot by demanding suspension for Carpenters on a charge of raiding.

It will be a ticklish job for CLC to appease the aroused IWA.

The aggressive union has already talked of pulling out of the CLC.

That would almost certainly lead to a fierce inter-union fight in the major logging areas of the country.

First IWA target might well be the 10,000 or more loggers held by Carpenters in the northern Ontario woods.

FOR REPORTS ON

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Better Materials For Tires

(CONTINUED FROM P. 1)

automobiles, as well as most compact cars.

Other major tire companies are making similar moves.

Just as the switch from the six-ply to four-ply was made possible back in the 1930s through introduction of stronger tire cord (from cotton to rayon) so the present switch to two-ply has been spurred by the greater strength of today's rayon and nylon cord.

The stronger tire cords have enabled tire makers to build into the new two-ply approximately the same strength as in the present four-ply tire.

The cords are about twice as thick (double the number of deniers).

Although make-up of the new two-ply tire varies from manufacturer to manufacturer, on the average they will have about the same amount of fabric in them as the four-ply tire. (One Canadian tire-maker says his two-ply will use ¼ lb. less fabric.)

They will use a little less rubber, however, on the casing. Over-all the new tire will weigh about 3%-4% less than the current four-ply.

The tires will look very much like the four-plies. Some manufacturers will put this exterior marking on the wall — "4-ply rating—2 ply."

They will carry the same air pressure but because of thinner sidewalls will likely flatten out a little more where they touch the road.

Essentially the two-ply has two plies of rubber-coated fabric rather than four. The plies consist of either improved rayon or nylon cord which is dipped in rubber and baked.

The new tire can claim several advantages for the user. Because of its thinner walls it can radiate the heat faster and there will be less inter-ply friction within the tire. This extra coolness is expected to give extra tire life.

The tire is also reported to provide a noticeably softer ride but with some decline in "handling" ease.

For the auto manufacturer the tire promises some cost savings — although not much at first.

Although there is considerable variance in cost among tire makers the average two-ply tire today runs about 4%, or 30c-32c, less than a four-ply.

This reduces auto makers' tire outlay per car by $1.50 to $1.60, a considerable saving over a model year.

At the moment Canadian tire makers report very little savings on materials and labor costs on the new tire.

But admit it lends itself to greater automation, could possibly be produced for "somewhat less" as volume output mounts, new techniques come into operation.

While the two-ply tires are just being adopted as original equipment in this country, they have been widely used on foreign cars and in certain third line replacement tires here.

Germany Promotes Consul in Toronto

West Germany has elevated its Toronto consul, Gottfried von Waldheim, to the rank of consul-general.

He has been consul for over three years and, after a three-month home leave, will return to the consulate in the fall.

Germany, in addition to an embassy in Ottawa, has one other consul-general in Montreal, plus consuls and honorary consuls in several major Canadian cities.

The Toronto consulate serves about 500,000 Ontario residents of German origin (including 150,000 post-war immigrants).

It is one of the busiest foreign offices in the city.

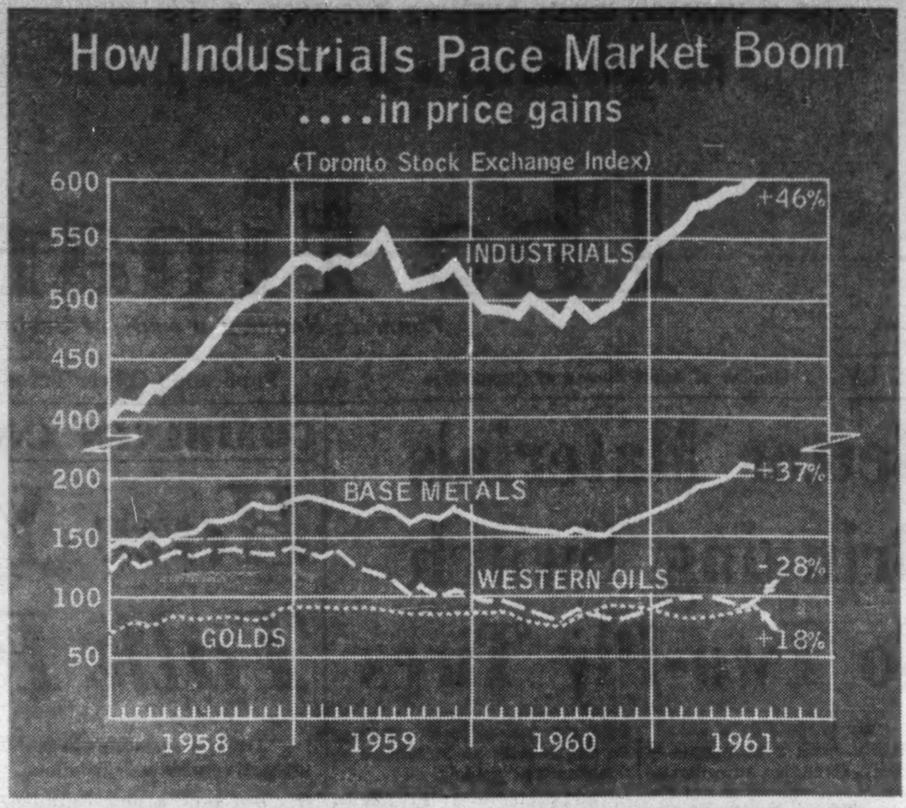
TV-by-Wire For New Mine Town

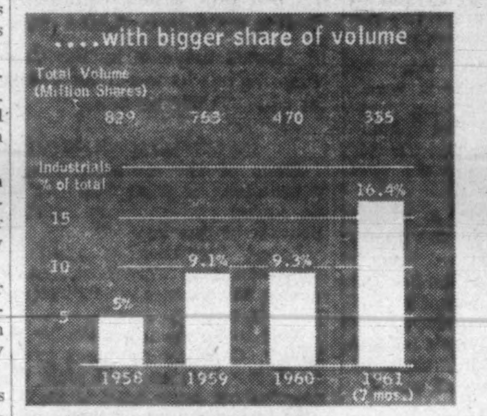
A television-by-wire system is being planned for the new northern Manitoba mining town of Thompson.

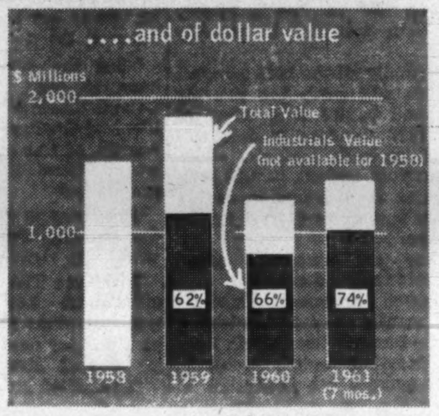
Canadian Engineering Surveys Ltd. of Edmonton will set up the system, charge a connection fee and monthly rental to townspeople hooking into it with home receivers.

The company has contracted for $75,000 worth of TV broadcast and cable distribution equipment from **Canadian General Electric.**

Thompson, expecting soon to have 8,000 population, will get 8 hr. of programming a day on one channel, continuous music on another.







FP rounds up THE OUTLOOK

(CONTINUED FROM P. 1)

previous business expansions: Stock prices in 1949 were up 20.5%; in both 1954 and 1958, they were up 21.5%.

After 10 months of business recoveries in 1949, 1954 and 1958: **An identical advance—23% in each case.**

So with only five months of the current business recovery gone, **the bulls in the stock market are counting heavily on history repeating itself**—for another five months anyway.

* * *

This is a boom in industrials as the charts show. These currently account for a rising share of both the volume and the value of total trading.

- Industrials in the first seven months of this year made up 74% of the dollar value of total TSE trading. This compares with an average of 66% in 1960 and 62% in 1959.
- **Volume of industrial shares traded** in the January-July period on TSE represented 16.4% of total volume. This is up sharply from an average of 9.3% in 1960, 9.1% in 1959 and 5% in 1958.
- **Mining stocks** outpaced industrials in the first seven months of this year with a 20% advance in prices as against a 10% gain for industrials. But over the longer run, industrials are showing greater strength—up 46% since early 1958 as compared with mining's 37%, western oil's 7% and golds' 1.1%.

* * *

Behind the current rise in the stock market averages is the firm expectation that **the Canadian economy is very close to a turnaround in corporate profits.** This holds out the prospect of better price-earnings ratios and fatter dividend cheques.

Before-tax profits have been on the downslide since mid-1959. There have been minor upturns, but so far the underlying trend has been steadily downward.

During the first quarter of this year, total corporate profits were running 16% below a year earlier and a full 20% under mid-1959 levels. Manufacturing profits alone were 29% lower than a year before and off 20% from mid-1959 levels.

But based on here-and-there evidence, the **expectation now is that a modest upturn will be reported** when second quarter figures are finally compiled by DBS. **This might be a quarter-to-quarter rise in the order of 6%-7%-8%,** seasonal factors discounted. If it occurs, this would narrow the actual year-to-year gap substantially and be a real dollar rise half again as large as the quarter-to-quarter advance of a year earlier.

* * *

Adding to confidence about the pace and stability of the 1961 recovery are gains in these three important areas:

▸ **Exports surged** ahead to a new record in April, seasonal factors discounted. The month-to-month increase was almost 20% and the year-to-year gain was over 20%. Smart advances were made in sales in the big and increasingly expansion-minded U. S. economy. Sales elsewhere were also up, except in the U. K.

The implication: Sturdy unpinning for the Canadian expansion with firm or rising demand abroad.

▸ **From all indications, housing activity picked up again in June and July** after a slight slip-off from the very high levels of February and March. Early estimates place the number of starts during each of these months in the 7,500-8,000 area, seasonal factors discounted — 18%-20% above year-earlier rates.

The implication: Total starts this year may be in the neighborhood of 135,000 as against 109,000 last year—which is good news for building materials suppliers, appliance manufacturers and a wide range of retail dealers.

▸ **New orders for capital goods, which betoken quickening business ahead, went up briskly in May.** Stripped of purely seasonal influences, this is the sixth month of improvement in a total of eight months. In actual dollars, this was the first $100 million month since March of 1960.

Noting this development, W. A. Beckett states: "Imports of machinery and equipment have not experienced similar gains. A change of product mix is implied. There is also a suggestion of an **improved market share for domestic producers, a trend which should be reinforced by the price differentials arising from the devaluation of the Canadian dollar."**

But reassuring as these advances in exports, housing and capital goods orders may be, it is still clear that the Canadian economy has ahead of it a long pull back to fast-paced growth and earlier prosperity. Retail sales during May were at their lowest in a year; unemployment still accounts for an unusually high level of the Canadian work force; the basic trend in manufacturers' inventories was, as recently as May, still down.

HYDROGRAPHIC SHIP LAUNCHED

First of Canada's new oceanographic and hydrographic fleet was launched at Halifax this week by Mrs. Paul Comtois, wife of Mines and Technical Surveys Minister Comtois. The ship, C.H.S. Maxwell, will be in operation this fall. Designed for inshore survey work, she will carry a crew of 20, have a range of more than 2,000 mi. and top speed of more than 12 knots. Cost will exceed $450,000.

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Sales Tax Net Will Catch Everyone

Not Many Loopholes In Ontario Legislation

By NORTON ANDERSON

Ontario has a very big sales tax net ready to catch all varieties of tax fish, starting Sept. 1.

Like seven other Canadian provinces with retail sales taxes already in effect, Ontario's politicians are letting some game slip through, in the form of exemptions.

This doesn't make things easier for the 150,000 Ontario businesses which are the compulsory tax collectors. In fact, the exemptions put them in the middle of a muddle.

For the retail sales tax, so named, is no such thing. It is a consumption and use tax.

This requires reams of rules and regulations, definitions and often arbitrary decisions by the civil servants charged with administering the Acts.

So the businessman must know what he's about, and he must learn all he can about the complications.

And to top it all the businessmen in Ontario will spend at least $6 million of their earnings to carry out this new, mammoth collecting chore.

There's no escape. They must carry out the job accurately and promptly — or the taxmen will get them.

For ignorance of the Act renders them liable to interest charges, penalties and fines, even imprisonment.

However, businessmen aren't the only tax collectors.

Not even the ordinary citizen escapes the net (apart, of course, from paying the tax).

He can't buy anything from anybody — either through a newspaper want-ad, or from a relative or friend — without being required to report and pay the sales tax.

He can be summoned, penalized, punished, if he fails to pay tax on the purchase of anything — that second-hand bicycle worth $15, or that washing machine worth $35, or that baby's crib worth $3.

Of course the taxmen are counting greatly on the honesty of consumers.

Nevertheless, assisted by the experience of other Canadian provinces, and of taxing states in the U. S., they have ways — through a staff of about 850 in Ontario alone — to learn about a lot of those "casual" purchases.

So in the weird ("but", says a chain store executive, "not wonderful") world of burgeoning sales taxes, the businessman and ordinary consumer, too, must find out all there's to know about exemptions, rules, regulations that abound when a province like Ontario decides to raise $150 million a year through a direct consumer tax.

In this tax world you can't rent, lease, barter, layaway, charge or eat "free" on an airplane, without tax being paid.

Here, then, is a consensus of opinion and fact from taxmen, consultants, businessmen. It might help you part way through the maze.

What is this Ontario retail sales tax?

It's a misnomer, just as are those in force in seven other Canadian provinces. It's a consumption and use tax—a direct tax.

So it's broader than just a tax on retail sales?

Yes. The sales tax is imposed upon the final purchaser of goods and commodities — "tangible personal property," according to the Act—meaning anything that can be lifted or removed from one place to another, but also defined to include telephone services.

Must be a few loopholes in the Act?

If there are, they're plugged fast. Ontario had the benefit of studying how seven other provinces operated, as well as a number of states of the U. S.—California, Michigan, Louisiana, Kentucky, Tennessee and Maine.

Why go to the U. S. for a look?

We learn by looking at tax procedure in the U. S. Also, we like to compare notes between Canadian provinces. Therefore, Ontario perpetuated good and bad features of other sales tax legislation in North America.

Ontario's Retail Sales Tax doesn't spell out much detail. How do we know precisely what is meant?

That's the catch. These acts are administered by rules and regulations. Our politicians are prone to legislate by regulations.

Then civil servants are the real sales tax czars?

In a way. They decide what is intended by the Act, apply rules to cover the intention, and if they run into real trouble, they ask for amendments to plug the loopholes.

Didn't Ontario have time to work out a cast-iron Act?

The magnitude of Ontario's problems were such that a lot of arbitrary rulings had to be taken.

For example?

Dr. John F. Due, a tax authority and consultant to the Ontario government, doesn't think the Act, as it now stands, allows the Comptroller of Revenue to tax, as a sale, something that took the form of rent.

Such as rental of cars by drive-yourself agencies?

Yes. Due said: "I presumed the province would hold these to be taxable, possibly by amendment to the Act, not merely by interpretation."

How did Ontario's Comptroller rule?

Car and truck rentals are taxable, on the basis of 100% of the rental charge for periods of six days or less, 90% between seven days and one month, and 80% if over one month. Cars purchased solely for the purpose of rental are free of provincial tax, under exemption certificate. No charge may be made by virtue of the fact that the charge covers gasoline, insurance, or other non-taxable items.

What about leasing, instead of buying, to avoid the tax?

Even here the big net catches all. The Act might infer that lease or rental includes only transactions held by the Comptroller to be in lieu of a transfer of title, exchange or barter, released with an option, of some sort, to purchase. However, the Comptroller goes the limit in his ruling.

How can he, when many transactions are made where there's really no intention that the user will ever buy?

When the Comptroller deems rental to be in lieu of transfer of title, then that will be a sale. He gave this explanation at one meeting: "Taking the most well known case of IBM renting its machinery, it would seem the company will have to collect a tax from anyone who rents its machinery. There isn't any transfer of title, but there is a transfer of possession and therefore that will be deemed to be a sale."

How do you compute a fair value on that rental?

Whatever the deal is—if it's $30,000 a month, for the article, it would be 3% of that amount every month.

Can barter deals save tax money?

No. If a lumber dealer buys a new truck from a motor vehicle dealer but pays for it in part with a load of lumber, the price of the truck is taxable as well as the fair value of the lumber.

If a general merchant sells goods for $10 and accepts in trade or part payment goods for $3, the tax must be calculated on the total charge of $10.

What about trade-in allowances?

This involves the acceptance as a partial payment for the item purchased of an item of the same or similar character. The trade-in allowance is not subject to tax.

Is the whole amount of a layaway or will-call sale taxable?

Yes. At the time the transaction is made.

What about charge accounts?

Where sales are made on credit, either under conditional sale or lease contract, the user or consumer is taxable on the whole amount, whether or not all of the account is paid.

Are gifts, premiums and samples taxable?

They are—to the person who distributes the items. The Retail Merchants Association of Canada objects to the ruling, regarding trading stamps. RMA wants the ultimate user, not the stamp issuer, to pay the tax. This would require a new ruling, or possibly even an amendment to the Act.

Are purchases from outside the province taxable?

Provincial governments, including Ontario, presumably have no intention of trying to track down every individual who buys a necktie in Hull, Que., or a cotton sheet in Buffalo or Detroit. But the rule will be enforced against motor vehicles (a person moving to Ontario, however, is not liable for the tax), against purchases of taxable items by business firms, and some other ascertainable transactions.

(In its decision last year in a Saskatchewan case — **Cairns Construction Ltd.** v. The Government of Saskatchewan—the Supreme Court of Canada upheld the right of a province to tax goods brought into a province.)

Who collects provincial sales taxes?

Every business selling anything to a consumer is the compulsory agent of the governments.

What if he makes a mistake, and either doesn't collect enough tax, or none at all?

The businessman is responsible for payment of the last penny of the tax.

And if, in error, he collects too much tax?

Then he must pay all of it to the province. He is considered to be nothing more than the tax collection agent of the province. The tax money doesn't belong to him. The overcharged consumer must apply to the province for a rebate.

What about the many "casual" sales made between consumers — through newspaper want-ads, direct solicitation, and among friends and relatives?

Now the shoe is on the other foot. Every buyer, in this case, is responsible to report and to pay the tax to the province—if the transaction is for more than 16c.

You mean we're all liable to penalties, if we don't?

Yes. The casual buyer, on summary conviction, is liable for a fine of not less than $25, and not more than $10,000 plus, in an appropriate case, an amount of not more than double the tax that should have been declared, or to imprisonment for a term of not more than two years, or to both.

Do provincial taxmen really believe consumers will report and remit these taxes due?

Experience in other provinces, say Ontario tax officials, leads them to believe "a high proportion of people are honest, and will pay the tax on casual purchases."

What about the dishonest, the forgetful, the procrastinators?

The tax branch has hundreds of civil servants able to watch want-ads, hear rumors and reports in communities, or be advised by informers.

Aren't these sales taxes helping to create a society of informers, or of citizens who comply from fear of detection?

No, say taxmen. You have the law. You are expected to pay the pound of flesh due. If you evade payment, you are shirking your responsibilities of citizenship.

In spite of the "inconvenience" to voters, apparently our politicians like these sales taxes?

Yes, because a lot of money is collected. Once the sales tax is on the statute books, by the simple device of increasing the percentage, the tax take can go up tremendously.

"We've gone sales tax crazy in Canada," exclaims a retail trade association official.

Then Ontario's 3% tax is likely to go up?

Most authorities contacted believe the 3% tax will go up to 5% "within a reasonably short period of time—and apparently we are prepared to sit quietly by."

British Columbia, Nova Scotia, Newfoundland are at the 5% level.

Effective July 1, provincial sales taxes in Quebec became 4% throughout the province, instead of 2%.

Quebec had allowed municipalities to levy a 2% municipal tax and a 1% or 2% school tax on top of the provincial levy. Few municipalities failed to do this.

Under Bill 86, passed at the last session of the Quebec legislature, school tax was made mandatory and consolidated with sales tax, making a total of 4% povincial and 2% municipal.

It's estimated that by 1962 it will cost eight provinces $16 million to administer their sales tax Acts, bringing in about $400 million. Is this correct?

That's right, about 4% of all taxes collected.

What about the 350,000 Canadian businesses which must now act as tax collecting agents?

They will spend, apart from commissions paid by the provinces, at least an equal amount to act as tax collectors. This is separate from the extra work load placed on existing staffs.

Businessmen are willing to accept these new burdens, on top of a whole raft of other federal, provincial and municipal collecting and reporting roles?

"It's just amazing how docile we are. We have let our elected representatives load us up," says a trade group official representing thousands of Canadian businesses.

Won't the provincial taxmen work out a formula to save many businessmen time and money?

Says Andrew Severn, 38, new director of Ontario's sales tax branch: "I defy anyone to set up a formula to give us exactly 3%."

Won't Ontario entertain formula proposals from businessmen?

Yes. But it depends on how the proposal is presented. The taxmen are determined not to lose out on any taxes due.

Which means?

That if a formula is worked out with a business, the tax auditors still will go in periodically to check the books. This means that the firm must keep accurate records of taxes collected.

This will save them money?

Some money, because the business on a formula won't have to carry out all of the internal paperwork so often.

What if the formula isn't giving the province its full and accurate ratio on taxable items?

Then the business must pay interest, penalties, plus being cut off the special arrangement.

Pretty rough, isn't it?

Taxmen say no. They say this is a direct tax—not an indirect tax which is not allowed to provinces—and the Act requires them to collect the exact amount of taxes paid by consumers.

In this age of calculators and computers, couldn't businesses be put on a satisfactory formula basis?

They probably could, saving millions of dollars to consumers (because they, in the end, will pay what it costs governments and businesses to handle this complicated sales taxes).

(Continued on Page 11)

Compliance Men Use the "Teeth"

"Teeth" of Ontario's retail sales tax branch are sharpened in the compliance division.

Here are its tax-biting sections.

- Registration
- Delinquent control
- Motor vehicles
- Collection, review and control
- Securities
- Investigation
- Return review
- Planning and review

Exemptions Raise Cost Of Collection

It's the long list of exemptions that makes businessmen's and Ontario's costs so high to collect, report and administer the new Retail Sales Tax Act.

For details on your type of business, you'll have to consult one of the 26 Vendor Cards already printed.

However, here's a summary of the exemptions in Ontario. (Some of them are the same as in the seven other Canadian provinces collecting retail sales taxes. However, there's no uniformity, as politicians in different parts of Canada bow to different voter pressures.)

Consumer Items:

Food, except liquor, candy and soft drinks.

Meals, consumed on the premises where bought, $1.50 and under.

Children's clothing, as defined in Regulation 1.

Drugs and medicines on prescription, and specified medical and related items.

Gasoline, fuels, and electricity.

Draft beer.

Water and ice.

Farm Items:

Farm equipment and machinery as defined, but not hand tools.

Seed, plants, shrubs and trees producing food for human consumption and tobacco.

Fertilizer, insecticides, fungicides, herbicides, rodenticides.

Livestock feed, and medicines.

Certain irrigation and drainage equipment.

Certain other specified items, such as farm, poultry and hog fence.

Manufacturing Items:

Materials and parts becoming part of the finished product.

Materials consumed in the production process.

Machinery and equipment used directly in manufacturing.

(In general, items 2 and 3 are exempt for purposes of the provincial sales tax, only if they are interpreted to be exempt under the federal manufacturers sales tax.)

Transportation Equipment:

Vessels of more than 500 tons gross.

Railway rolling stock.

Aircraft used in interprovincial and foreign commerce.

Other:

Transactions under 17c.

Clay, sand, gravel, and unfinished stone.

School classroom supplies when furnished by a school board.

Road cleaning and fire fighting vehicles of value in excess of $1,000 per vehicle.

Field Operations In 18 Offices

Here's the setup of Ontario's strong field operations for retail sales tax collection.

Two regional chiefs guide 18 district offices.

In Western Ontario: Toronto West, Brantford, Guelph, Hamilton, London, Port Arthur, Stratford, Welland, Windsor.

In Eastern Ontario: Toronto East, North Bay, Orillia, Ottawa, Owen Sound, Peterborough, Smiths Falls, Sudbury, Whitby.

They are backed up by two district tax administrators, and two field audit supervisors, who direct a small army of about 300 field auditors, plus a squad of field representatives.

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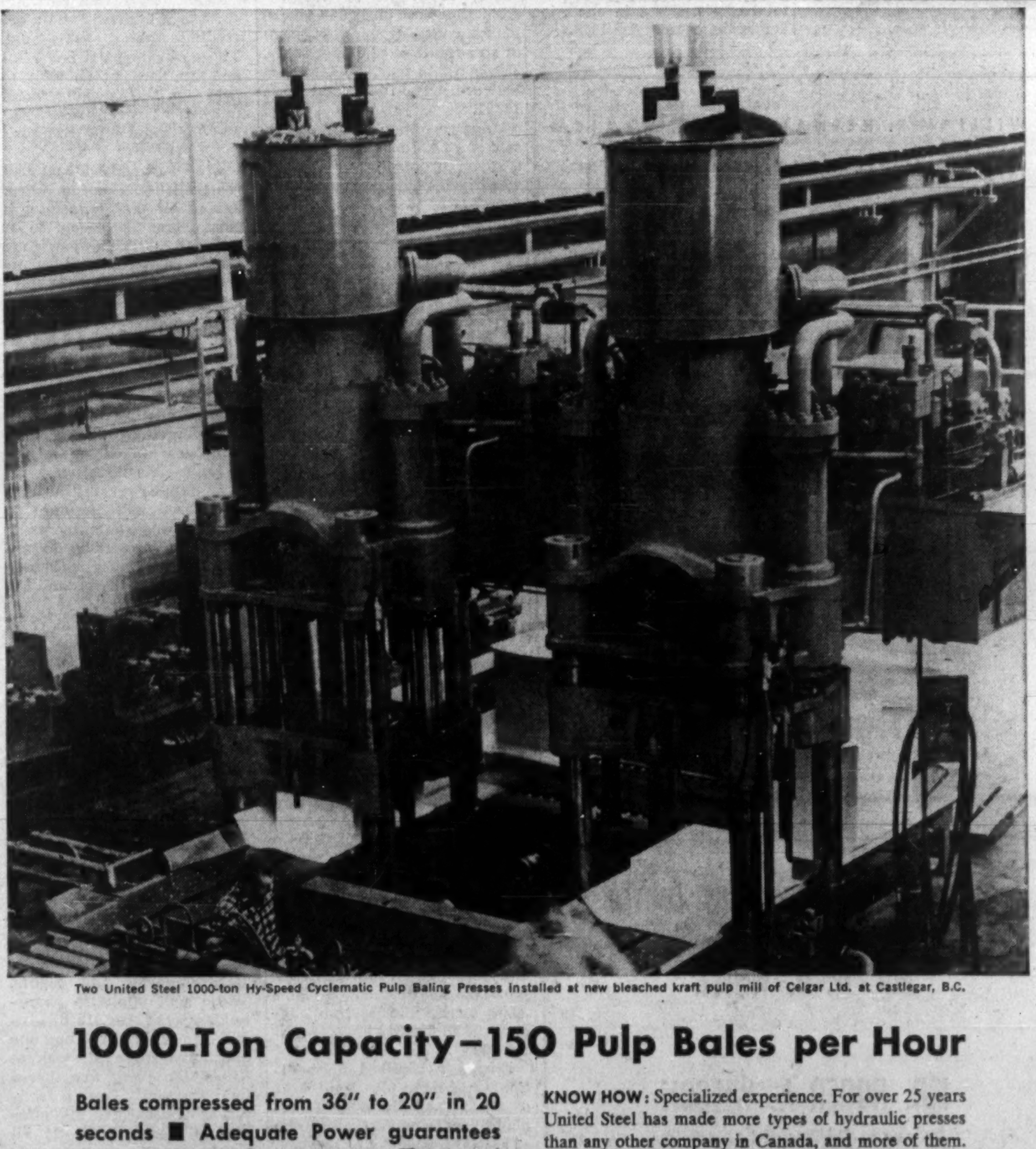
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FP reports on INVESTMENTS

More Stock Splitting Ahead In Wake of Labatt 3-for-1?

By PATRICK DURRANT

SHAREHOLDERS of **John Labatt Ltd.** (recent market price: $45½) meet next week to consider a proposal to subdivide their stock on a three-for-one basis.

There is little doubt shareholders will approve the plan (they will also be getting a bigger dividend). If approved, this will bring to 12 the number of Canadian industrial companies which have split their shares this year.

Observers believe that more stock split proposals will be seen before the year is out. Market history shows that when stock values climb, more and more companies find it desirable to split their shares.

In theory, a split should not alter the value of an investor's holdings; two new $25 shares, for instance, represent the same interest in a company as one old $50 share.

But in many cases the lower per-share price following a split attracts wider public interest in the stock, with heavier buying and selling pushing the market price above pre-split levels.

A survey made last year by an investment firm showed that investors have a strong preference for lower rather than higher per-share prices.

Stock splits are often accompanied by bigger dividend rates, and this factor helps to raise the market price.

However, the price does not always gain significantly after a split; sometimes, shares advance substantially on speculation of a split and dividend increase, or when the company announces plans for such action. The new shares then trade for some time near the equivalent closing price of the old stock.

In the accompanying table, for example, **George Weston Ltd.** class A and B shares rose substantially before they were split; since then prices have dropped.

Eddy Paper Co. shares have declined slightly in price since they were split.

On the other hand **Great Lakes Paper**, also strong before the split, has continued to advance firmly. **Rolland Paper, Dominion Scottish Investments** and **Dominion Stores** have made further gains as well.

Of the 12 stocks in the table, highest priced before split were Dominion Stores and **Huron & Erie Mortgage** (both selling at $74). Five others were selling at over $50 a share.

Shares of **Rapid Grip & Batten** were priced at $16½ immediately before their subdivision.

Stock splits are generally straight subdivisions of existing shares. However, shareholders will sometimes get not only a stock similar to the one already held, but also a different class of stock with other attractions.

Rapid Grip & Batten shareholders received one new common share and one new 60c cumulative participating class A share for each old share held.

The 60c dividend on the class A stock is equivalent to the dividend on the old common. No dividends have been declared yet on the new common which may receive up to 60c per share a year; when each class has received 60c in any one year, any further dividends payable in such year will be divided equally between the class A and common.

It is not unusual for a company's shares to be split several times over a period of years. Labatt's proposed split will be the second since it became a public company in 1945 (at that time the stock was subdivided 9-for-1).

Dominion Stores stock was previously split on a 4-for-1 basis in 1950. The shares then rose from about $13 to a peak of $92½ in 1959.

Shares of George Weston have been subdivided five times since 1934. One common share held prior to the 1934 split (high that year: $56¾) would now be equivalent to 32 class A and 32 class B shares, having a total combined market value at current price of $1,224.

In the table, pre-split market prices and dividend rates have been adjusted on the basis of the new shares. In the case of Rapid Grip & Batten, actual price of the old stock is compared with current prices of the new class A and common shares.

Mount Royal Rice Mills did not change its dividend rate at the time of the split although it had increased payments on the old stock a few months earlier to $1.60 per share annually from $1.25.

How Split Affected These Stocks

	Basis of Split	Market Price: Recent $	Market Price: Pre-Split* $	Change %	Dividend Rate: New $	Dividend Rate: Old* $	Change %
Acadia-Atl. Sugar	3-for-1	9¼	8.79	+5.2	0.50	0.20	+150.0
Can. Carb. & Ribbon	3-for-1	n/a	n/a	....	0.60	0.53⅓	+12.5
Dom. Scottish Invest.	3-for-1	15½	11½	+34.8	0.30	0.26⅔	+12.5
Dominion Stores	5-for-1	17	14.80	+14.9	0.32	0.25	+28.0
Eddy Paper	3-for-1	20½	21½	—4.7	0.60	0.50	+20.0
Great Lakes Paper	3-for-1	20⅞	16½	+26.5	0.60	0.53⅓	+12.5
Huron & Erie Mtge.	2-for-1	41	37	+10.8	1.00	0.95	+5.2
Labatt, John†	3-for-1	45½	....	....	0.46	0.43⅓	+6.2
Mt. Royal Rice	4-for-1	8	7⅜	+8.5	0.40	0.40	nil
Rolland Paper 'A'	8-for-1	9⅛	7⅞	+15.9	0.20	0.18¾	+6.7
Do. 'B'	8-for-1	12¼	8⅛	+50.7	0.15	0.13¾	+9.1
Rapid Grip & Batten	‡	7¾	16½	+10.6	§	0.60	....
Do. 'A'	....	10½	....	....	0.60	...	....
Weston, George 'A'	3-for-1	18	19.83	—9.2	0.30	0.23⅓	+28.6
Do. 'B'	3-for-1	20¼	20.83	—2.8	0.30	0.23⅓	+28.6

*Adjusted on basis of split stock.
†Proposed; shareholders' meeting is Aug. 25.
‡One new 60c cum. partic. class A share and one new common share for each share held.
§Not yet announced.

(Advertisement)

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Sayvette Underwriting Will Provide $4 Million

Deacon Finley Coyne Ltd., Bache & Co., and **Ross Knowles & Co.,** have underwritten 600,000 shares of **Sayvette Ltd.** to net the company $4,040,000.

Company's discount-type department store is scheduled to open its 180,000 sq. ft. outlet in suburban Thorncliffe Park development area of Toronto early in September.

This store and another in the Yonge-Steeles area of Toronto will be operated by **Sayvette (Ontario) Ltd.** (a subsidiary, two thirds owned by Sayvette Ltd., and one-third by **Thorncliffe Park Ltd.**).

Thorncliffe has agreed to build the stores for Sayvette (Ontario) up to a cost of $2 million for the first, with Sayvette absorbing anything over that (estimated at $50,000). In return, Sayvette will pay annual rental of $265,000 plus all realty taxes, insurance and maintenance costs for the initial 35-year lease period with further options after that.

Company hopes to have a total of six stores in operation across the country by 1963.

Basis of operation for the stores will revolve around self-service, elimination or reduction of frills, cash and carry (with delivery and instalment credit available at extra cost), high inventory turnover, and large parking areas.

Company intends to purchase and sell primarily Canadian merchandise augmented by imported items.

Management includes Harry W. Schacter, president and general manager who spent 22 years as president of a Kentucky department store; Paul G. Jeffrey, executive vice-president, formerly associated with advertising agency McCann-Erickson; Thomas L. Anderson, vice-president, formerly chairman of board of **Cockfield, Brown & Co.,** and Harry C. Greenberg, merchandise manager.

Some of original shareholders have agreed to sell to a limited number of Canadian investors for a consideration of $3.00 per share, the right to purchase from them up to 52,840 shares of the company upon payment of an additional $3.00 per share. These rights must be exercised between Oct. 16/61 and Nov. 15/61.

Another option exists on the sale of 13,390 original shares to a given group (not disclosed) at $6.00 per share. None of the proceeds of these sales will accrue to the company.

Anglo-Cdn. Telephone Down 5.7%

MONTREAL (Staff)—**Anglo-Canadian Telephone Co.** consolidated net profit for the six months ended June 30/61 was $1,097,587, down 5.7% from $1,164,186 in same period last year.

After deducting dividends on preferred stocks, net profit per share of Class A stock was $1.22 in first six months of 1961 compared to $1.31.

Indicated net profit in the second quarter of 1961 was $555,482 (equivalent to 62c per Class A share) compared to $604,863 (69c).

Anglo's 41.48% interest in the undistributed profit of **British Columbia Telephone Co.** which is not included in Anglo's consolidated earnings was equivalent to 22c per share of Class A and deferred stock in the second quarter of 1961; 25c in the first six months. This compares with 13c in 1960 second quarter; 24c in the first six months of 1960.

Operating revenues of Anglo and Consolidated subsidiaries in the six months ended June 30/61 were $1,862,166, up 2.3% over the $1,820,314 in same period 1960.

Company received an additional payment on June 6/61 of $131,332.86 from the Canadian War Damage Commission as partial settlement of its claim in respect to its previous investment in **Philippine Long Distance Telephone Co.**

Here are the details:

Six months to June 30:	1961 $	1960 $
Operating revenues	1,862,166	1,820,314
Add: Other income (incl. divds. from B.C. Tel.)	831,068	906,100
Less: Oper. and other exp.	823,057	837,373
Taxes other than inc. taxes	91,558	86,194
Depreciation	241,502	179,275
Total interest	252,630	247,986
Income taxes	186,900	211,400
Net profit	1,097,587	1,164,186
Less: Pref. divds.	321,875	321,875
Avail. for Cl. 'A' and deferred	775,712	842,311

NOTE

By STEPHEN VITUNSKI

BOND MARKETS are still weak. Government of Canada's 4½% due 1983 slid further at midweek and were trading around $92½ bid. The government is being hit and hit hard in its fight to firm up the sagging bond market, observers say. They feel the trend will continue.

* * *

Crown-owned **Central Mortgage & Housing Corp.** announced that tenders will close Aug. 29/61 on $17.5 million in NHA mortgage loans. The offering will consist of 29 parcels of the government-insured mortgages worth about $500,000 each, and 12 packages valued at $250,000 each. All bear interest at 6¾% and are of 25 or 30 years' duration. Only $12.5 million of the $15 million offered by the corporation were taken up in the previous sale last June.

A number of institutions, **FP** learns, were hesitant in making any commitments in this field, preferring to arrange their own mortgage holdings from the ground up.

* * *

Greenshields & Co. and **Deacon Findley Coyne Ltd.,** have come out with $3.5 million 6½% 20-year debentures of **Canadian Hydrocarbons Ltd.** offered at par.

* * *

The $100 million **B. C. Electric** 5% parity bond issue was well received by the investment community. Dealers say a brisk market should develop for the bonds due to their ready redeemability and transferability features.

* * *

Dominion Securities Corp. is handling distribution of **Hardee Farms Ltd.** rights. These will apply to shareholders as of Aug. 18/61 giving them the right to buy one additional share of stock at $10.50 for every five shares held. Currently stock is trading around $13.25. The offer expires Sept. 12/61. If all rights are taken up, outstanding capital will increase by 136,112 shares to 795,972.

* * *

How does your broker compare? In a recent survey, a Los Angeles sales development firm found that among U. S. investment firms, 61% use no advertising, 82% distribute no educational brochures, 68% issue no market letter, and 77% conduct no sales training program.

Hardee Farms Results Better Plans 1-For-5 Rights Issue

Results of **Hardee Farms International Ltd.** so far this fiscal year have improved substantially over a year ago, President Bram Dees told shareholders at the annual meeting.

Company has reached the end of its initial period of development, after less than 2½ years of full operation, Dees said.

"All aspects of the business of corporate farming and marketing — production, processing and packaging, sales and distribution — have been set up and co-ordinated on a basis that should provide for sound operation and continued progress," he said.

Hardee plans to issue rights to shareholders to subscribe for additional shares on the basis of one new share at $10½ for each five shares held.

Recent market price: $13¾.

Purpose is to improve the working capital position and to provide funds for future development.

If all shares are taken up under the offer, outstanding capital will be increased to 816,372 shares (from 680,310). Company will realize approximately $1.4 million from this financing.

Rights will expire Sept. 12.

The offer is being underwritten by **Dominion Securities Corp.**

Replying to a shareholder's question, Dees said that 75% of company's acreage is in the U. S. Within a year or two, U. S. operations will be providing 65%-70% of total earnings, he stated.

Hardee's beef production program in Florida demonstrates the benefits of work done in the past two years, the president said.

Market reception of company's leaner, tastier beef has been good and production of its own feed is resulting in lower costs.

B. C. Ends Year With Cash Reserve

From Our Own Correspondent

VICTORIA—British Columbia had a cash reserve of $2,100,000 in the treasury at the start of this fiscal year, April 1, Premier W. A. C. Bennett has disclosed at the special session of the legislature.

Last year the budget was $331,000,000; it was underspent by $8,000,000.

B. C. received $3,000,000 more than it expected from Ottawa, $3,000,000 from resource royalties and licenses, and $1,000,000 more in liquor profits.

WILLIAM E. KEENAN, B.ARCH., M.R.A.I.C.
WALTER L. BIELASKA, B.ARCH., M.R.A.I.C.

KEENAN AND BIELASKA, ARCHITECTS
20 EGLINTON AVENUE EAST, TORONTO

102nd CONSECUTIVE DIVIDEND

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A prospectus is available from your investment dealer or stockbroker.

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GOODWIN HARRIS & COMPANY, LIMITED

Wish to announce the appointment of

MR. A. G. WHITE

As Vice-President and Director

MR. ROGER A. WILSON

is retiring as Director and Shareholder but continues to be associated with the organization.

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ANNOUNCEMENT

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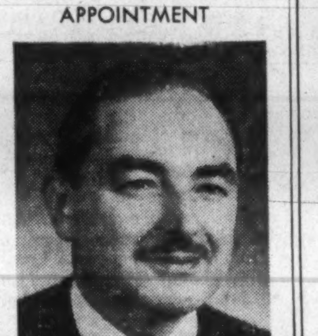

THOMAS J. JONES

The appointment of Thomas J. Jones as General Sales Manager, Univac Division, is announced by C. J. Knorr, President of Remington Rand Limited. Mr. Jones has held senior sales management positions in the electronic data processing field in Great Britain, where he was born and educated, and in the United States. His appointment represents a further step in the planned expansion of Remington Rand Limited.

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Canadian British Aluminium Company Limited

Notice to Holders of Initial Series Stock Purchase Warrants

(originally attached to First Mortgage Bonds Series "A" and Debentures Series "A")

The Initial Warrant Issue Date was duly determined to be September 5, 1957 under the provisions of the Stock Purchase Warrants Indenture bearing formal date of March 15, 1957. Holders of Initial Series Warrants may subscribe for and purchase Class "A" shares in accordance with the provisions of the said Indenture and Warrants at the principal office of Montreal Trust Company, as Trustee, in one of the Cities of Montreal, Toronto, Halifax, Winnipeg or Vancouver, Canada, at a subscription price of ten dollars ($10) per Class "A" share on or before the close of business on September 4, 1961 (the end of the First Initial Period) and thereafter to September 4, 1964 at a price of twelve dollars and fifty cents ($12.50) for each Class "A" share and thereafter to September 4, 1967 at a price of fifteen dollars ($15) for each Class "A" share.

GORDON DIAMAND
Secretary

August 2, 1961
Montreal, P.Q.

These Debentures having been placed privately by us with institutional investors, this advertisement appears as a matter of record only.

$2,000,000

International Bronze Powders Limited

(Incorporated under the laws of Canada)

Secured Sinking Fund Debentures, 6½% Series A

To be dated July 1, 1961 — To mature July 1, 1981

Trustee: Montreal Trust Company

A prospectus will be promptly furnished upon request.

NESBITT, THOMSON AND COMPANY, LIMITED

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TSE Planning Listing For New Industrials?

Toronto Stock Exchange is studying possibility of a new listing group that would include newly-formed industrial companies.

TSE now has two types of listings: industrials and mining. There are stricter requirements for the industrials.

The exchange last looked at listing requirements two months ago when they made some changes in requirements for oil and mining companies (**FP**, June 17).

These companies are now allowed to switch to other fields if they satisfy the scrutiny of the Filing Statement Committee.

Newly - formed industrial companies can't meet present TSE requirements. Curb listing formerly took care of companies who could not meet all requirements of full listing. No new ones are being added.

The curb market was important in the early days of the exchange, taking the place, to a certain extent, of the unlisted market. About 10 years ago the TSE stopped adding to the list, and it has been dwindling ever since.

Now there are only about 50 stocks listed on the curb.

In its day, the curb absorbed those companies unable to meet full listing requirements.

Still included are such substantial companies as **Price Brothers & Co., Consolidated Paper Corp., Asbestos Corp.,** and **Canada & Dominion Sugar Co.**

Some newly-formed industrial companies that could fall in any new listing category are **Sayvette Ltd., Consolidated Building Corp., Federal Farms Ltd.**

Main rules for listing an industrial company are:

- **A two or three year record of net profits** of a reasonable amount after taxes.

This is in proportion to the size of the company, but usually is not less than $50,000 to $75,000 annually.

- **At least one-quarter of the issued shares should be in the hands of the public,** with enough shareholders to ensure an adequate public market.
- **Occasionally, a projected statement of earnings for a period of five years is acceptable,** but this has only been done in very few cases where adequate financing was assured.

For mining companies requirements are:

- **A recommendation from a qualified mining engineer or geologist** justifying a development program with sufficient funds to carry out this program.
- **At least one million shares must be issued,** with their distribution acceptable to the exchange.

The exchange has been criticized over these rulings by several new companies and newly-formed subsidiaries of U. S. companies. Managements of some new companies argue that if the rules can be relaxed for mining companies going into entirely unrelated, industrial-type fields (**FP**, June 17), something should be done, they say, for new companies with an established nucleus of experienced management, and definite, substantial, long range plans.

Observers also say a qualified financial team can usually make as good a prediction of prospects for the future of an industrial enterprise as an engineer can of a mining venture.

The industrial forecasters, they argue, have much more to work with — population trends, market studies, potential demand, comparisons with firms in the field already — than the mining engineer who usually has only the results of electromagnetic surveys and a few drill holes.

Another argument is that it is relatively easy for a mining company to distribute the required one million shares to the public, because the price is usually in the pennies.

They say the TSE is penalizing anyone who wants to start anything "really big" from scratch, by withholding listing for several years.

SUPERIOR PROPANE LIMITED

Warrants Expire August 31, 1961

The attention of owners of Superior Propane Limited Warrants is drawn to the fact that these warrants expire August 31, 1961.

Each warrant entitles the holder to purchase one common share at $13.00. If exercised prior to August 31, 1961, the shares received in exchange will be entitled to the dividend of 10 cents per share plus 10 cents extra payable September 15, 1961, to shareholders of record September 6, 1961.

NESBITT, THOMSON AND COMPANY, LIMITED

Head Office: 355 St. James Street West, Montreal

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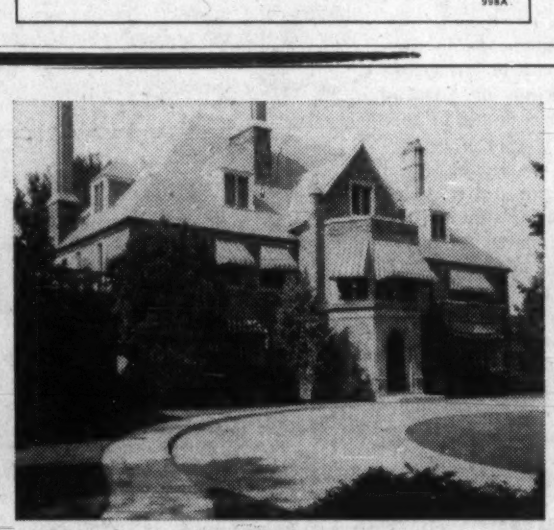

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Constructed of stone with a slate roof. The impressive stone facade, gateway and imposing fence, provide an air of distinctive charm. This fine home containing appointments and amenities beyond those normally available was architecturally designed by and erected under the supervision of the Late John M. Lyle, F.R.A.I.C. The vestibule area, with marble floor and large washroom, opens to a handsome oak panelled main hall with pegged oak plank floor and wide oak stair. Off the hall is the spacious living room 23' x 40', a most attractive well proportioned library 18' x 21' overlooking the golf course, and a dining room 19' x 26' of fine decor. Beyond the living room is a heated sunroom 15' x 17', with tile floor, marble fireplace and glazed doors leading to the roofed-in summer patio 15' x 22'. In addition the main floor contains a large maid's sitting room, and kitchen accommodation sufficient for entertaining on either a large or small scale.

On the second floor there are four large bedrooms, two of which face on the golf course. Three of the bedrooms are en suite with bathrooms and dressing rooms with bathroom fixtures being of the best quality. The fourth bedroom is en suite with the master bedroom. All bedrooms contain large clothes closets. Ample accommodation is provided on the floor for the storage and care of linen and cleaning equipment.

The third floor with five bedrooms and two bathrooms provides generous quarters for help or other members of the family if required.

The basement contains a large laundry room, wine room with wine racks, washroom, storage rooms, together with the heating equipment.

The garage is reached by a separate stone drive from the street and has accommodation for three cars. Over the garage, which is constructed of stone to match the main building, is a complete compact apartment for chauffeur and family. Like the main dwelling, it is in excellent condition.

The summer patio off the east wing of the house has a delightful setting offering privacy and a view of the extensive garden. The garden is of sufficient size to accommodate tennis courts and a swimming pool if desired.

A fireplace enhances each of the main rooms.

Possession September 15th, 1961.

Assessed value of the property is $107,700.00.

The residence may be seen by appointment to be arranged with Mr. P. S. Bedford of The Toronto General Trusts Corporation, 253 Bay St., EM. 4-4371 or with Mr. A. L. Fleming, 320 Bay St., EM. 3-0073.

Tenders must be addressed to the undersigned. They must be forwarded in care of The Real Estate Department, The Toronto General Trusts Corporation, 253 Bay Street, Toronto, by prepaid registered post. The tenders received will be retained unopened until 3:00 p.m. daylight saving time August 28th, 1961. Those then in hand will be opened at The Toronto General Trusts Corporation.

Each tender must be accompanied by a marked cheque in favour of the undersigned for 10%. It will be returned if the tender is not accepted.

The Highest or any tender need not be accepted.

THE TORONTO GENERAL TRUSTS CORPORATION, BAY & MELINDA STREET, TORONTO, A. L. FLEMING, 320 BAY STREET, TORONTO.

Executors and Trustees of the Estate of the late Frederick William Cowan.

Bond Prices Dip Down, Bank Buying

Long-term bond prices continued to decline at midweek and Bank of Canada made some purchases as prices weakened.

Bank was lowering its bids ¼ of a point each time it made a large purchase, but traders say the Bank's intervention still provided "some steadying influence".

They said the government's worry over interest rates — which are tending a little higher — has been eased somewhat because bond prices in U. S. have also been declining.

This means the spread between U. S. and Canadian interest rates is checked, and this is one of the key concerns of the government.

The U. S. selloff is tied up with the Berlin crisis, observers here say. The dip in Canada is partly in sympathy and also partly the result of summer doldrums.

Main institutional buyers haven't been too active. Several key investment men are on vacation and some decisions are pending their return.

These observers say market would be even weaker if it weren't for Bank of Canada's purchases.

At midweek long-term bonds were down sharply from a week ago. Canada 4½%s due 1983 had dropped 1½ points. Canada 3¾%s due 1965 were down one point.

In the short-term market, the Bank was reported "very inactive". "It hasn't been buying or selling in the short end," said one observer.

"The money supply has been increased and there seems to be enough money around," he added.

AMC Expects Profit This Year For Cdn. Plant

American Motors Corp. says its new Canadian manufacturing operations are expected to show a profit this year in spite of start-up costs (**FP**, Jan. 21).

Company says elimination of 7½% excise tax on Canadian cars should stimulate sales and increase earnings of Canadian-operated subsidiary, **American Motors (Canada) Ltd.**

Kelvinator of Canada Ltd., another subsidiary, experienced a pick-up in sales in the third quarter ended June 30/61. May and June sales of its products were at the highest level since June/59.

The depressed trade conditions that have recently plagued the Canadian appliance industry appear to be undergoing correction, parent company reports.

"With the continuation of a general improvement in the nation's economy, Kelvinator of Canada expects to end the year with a profit," it adds. Kelvinator had $207,305 consolidated net loss for year to Sept. 30/60.

FP reports on WHY THEY'RE MOVING

By PATRICK DURRANT

REVIVED interest in some of the textile stocks (**FP**, July 22) is seen as market price continues to improve for **Canadian Celanese.** The shares touched a high of $33¼ last week (their best price since 1953), before easing to $32.

Market action this month has lifted the shares from the $30 level; two months ago they were selling at $27. They have risen 60% since July/60.

First half net profit was 14.5% ahead of a year ago (91c per share vs. 75c). Improving profit picture reflects company's emphasis on new products (40% of total income is derived from products which have been introduced over the past four years).

Demand for these new products continues to be strong, company said in the six-months report.

At current market, the shares sell at 16.8 times latest 12 months' earnings, yield 3.75% at indicated annual dividend rate of $1.20.

Dominion Textile firmed a fraction to a new 1961 high of $14⅞ (mid-week: $14⅜). Price has climbed from a low of $10 this year. No figures are available on company's results this fiscal year (which began April 1). However, company has said (**FP**, July 8) that early operations indicated a modest increase in sales for the year (last year: $103.2 million), although this would be offset by higher operating costs.

Dominion Textile earned $1.35 per share in year to March 31/61 ($1 year before).

* * *

Omission of the quarterly dividend due Sept. 15 did not cause much stir in class A shares of **Robert Mitchell Co.** However, one odd-lot transaction took place at $6; previous board-lot sale, two weeks ago, was at $9½.

The quarterly rate had previously been reduced to 15c from 25c. Arrears on the class A at Sept. 15 will be $1.70 per share.

Mitchell earned 15c per class A share in the first half (37c a year ago). The drop resulted from reduced sales and lower profit margins. Company says improvement is expected for remainder of the year and a close watch is being kept on results with a view to resuming dividends.

Shares of **Fraser Cos.** bounced ahead to a high of $29¼ from $24 last week, later slipped back to $26. Rise was sparked by rumors that an offer would be made to shareholders by a big newsprint producer.

Officials of Fraser were not available for comment. President G. M. Hobart of **Consolidated Paper Corp.** (which has been mentioned in connection with the rumors) told **FP** that there was no truth to talk that his firm was seeking control of Fraser.

Other unconfirmed street talk is that a block of Fraser stock is being offered for sale in the U. S.

Quebec Natural Gas Corp. shares were buffeted following news that company had been unable to get the full rate increase it wanted. The common shares, up from the $7 level to $8½ last week, dropped back to $5⅛ in early trading this week. The warrants rose from $2.10 to $2.75, then slumped to $1.45. The 6% preferred stock gained $8 to $54 before retreating quickly to $41¾.

QNG President G. O. Maddock has said that company would use every means to avoid bankruptcy.

* * *

Indication of **British American Oil Co.'s** increased interest in the petrochemical field is given with the announcement that it has invested $12.1 million for 25% share in **Shawinigan Chemicals Ltd**. Deal also involves transfer to Shawinigan Chemicals of B-A's half interest in **B.A.-Shawinigan Co.,** which has operated a phenol-acetone plant in Montreal since 1953 (**FP**, Aug. 5).

B-A shares are slightly lower ($32¼ at mid-week) after climbing from around $31 to a top of $33¼ earlier in the month.

Seldom-traded **Bird Construction Co.** had a 25-share transaction at $54 last week, the first sale since April when about 300 shares were traded at $50-$52. The Regina-based construction firm earned $3.46 per share in 1960, down sharply from previous year's $7.01.

Also in the construction industry, a recent addition to the Toronto board, **Consolidated Building Corp.,** has been quite busy. After listing July 31, the common shares edged up to $6⅜ from $5¼, but were softer at $5¾ early this week. The more active class A preferred shares (about 11,000 shares turned over weekly in first two weeks of August), have traded in a narrow range ($7-$7½).

Jamaica Holding Company Earnings per Share $3.52

MONTREAL (Staff) — **Jamaica Public Service Ltd.,** consolidated net profit for the 12 months ended June 30/61 was $1,785,681, up from $1,667,250 in the same period of the previous year.

Consolidated earnings per share of common increased from $3.25 in 12 months ended June 30/60 to $3.52 in the period ended June 30/61.

Operating results of the company's subsidiary, **Jamaica Public Service Co.,** for both periods were converted to Canadian dollars at $2.69 to the pound, the rate prevailing on June 30/61.

According to President Robert H. Willis, total sales of electricity during the 12 months ended June 30/61 increased to 234 million kwh, up 7.8% over last year.

Jamaican subsidiary spent more than £1 million in first half of 1961 for construction, of which more than half was for initial construction work on the fifth unit at the Hunts Bay thermal power station and completion of the fourth unit.

Subsidiary spent nearly £250,000 to purchase physical assets of **Electric Service Co.,** Mandeville, and its license to operate in the parish of Manchester.

In May, subsidiary redeemed £100,000 of unsecured debenture stock previously issued to parent in consideration of the waiver of all accumulated interest at 6% due June 30/61.

"The proceeds of such redemption were converted to $283,500 Canadian on June 20/61 and used to liquidate the company's bank overdraft and for other corporate purposes," Willis says.

Here are details for 12 months ended June 30.

	1961 $	1960 $
Op. revenues	7,246,570	6,539,492
Add: Other income	427,047	382,287
Less: Op. & other exp.	3,729,174	3,380,038
Taxes other than inc.	37,575	31,324
Depreciation	763,333	684,447
Int. & other deduc.	937,842	730,202
Income taxes	420,012	428,518
Net profit	1,785,681	1,667,250

Mid-Western Profit Higher

Pre-tax profit of **Mid-Western Industrial Gas Ltd.,** Edmonton, for six months to June 30/61 was $369,762, up 17.5% from $314,667 a year ago.

No income tax was paid in 1960, but company expects it will be liable for tax this year, President R. Campbell states.

In order to curtail some capital expenditures in the next six months, company expects to purchase an additional amount of natural gas. Costs will accordingly be higher, but a very profitable operation is indicated for the year, Campbell says.

Mid-Western earned $617,400 (24c per share) in 1960.

Total revenue was up 14.5% in first half of 1961 at $1,305,325 ($1,138,997 year ago). Costs totaled $648,445 ($531,988), and depreciation and amortization amounted to $241,642 ($230,421).

Company has just completed a successful four-well drilling program on acreage in the Alexander-Manawan Lake area, Alta. Commercial quantities of gas were discovered in three wells: the fourth was abandoned.

President Campbell says further development drilling could result in a substantial addition to company's reserves, as a result of these discoveries.

VENDOMATIC SERVICES LIMITED

This new all Canadian Company is a leader in the fast growing industrial food services and vending machine field.

The Company has been formed as a result of combining eight major vending and food service firms, with initial annual sales in excess of $11,000,000. Beside food sales, the Company is engaged in the manufacture and sale of a wide variety of vending machines. Vendomatic Services Limited is also active in the development of various new types of vending equipment.

The Company has a strong Board of Directors, being closely associated with Duplate Canada Limited and Canadian Food Products Limited, the latter being a subsidiary of Salada-Shirriff-Horsey Limited.

Subject to confirmation we can offer

Vendomatic Services Limited

Common Class A Shares

Price: at market

(approximately $11.00)

DOMINION SECURITIES CORPORATION LIMITED

Established 1901

Toronto Montreal New York London, Eng. Winnipeg Calgary Edmonton Vancouver Victoria Ottawa Quebec Halifax Saint John Fort William London Kitchener Brantford Hamilton St. Catharines Boston

50 King Street West, Toronto — EMpire 6-8181

AND Merger Boosts Profit For Price

MONTREAL (Staff) — Earnings of **Price Bros.** for first six months of the year are ahead of last year, according to President A. C. Price.

Better results are attributed to merger with **Anglo-Newfoundland Development Co.**

The merger was made through an exchange of common shares. Basis of the exchange was two shares of Price for each 11 shares of Anglo-Newfoundland. Offer is open to Aug. 25.

Price reported that 88.2% of AND stock had been acquired by Price.

Price intends to install an 80,000-ton newsprint machine at the **Gaspesia Pulp and Paper Co.,** Chandler, Que. in the near future.

When kraft extension is completed at Kenogami, Price will have capacity of 800,000 tons of newsprint, 90,000 tons of bleached sulphite, 30,000 tons of bleached kraft, 30,000 tons of unbleached kraft, 60,000 tons of paperboard, 30,000 tons of kraft and 40 million bd. ft. of lumber.

Hydro-electric power developed will exceed 300,000 h.p.

KERNAGHAN & CO. LIMITED

INVESTMENT SECURITIES

2nd Floor, 67 Richmond St. W., TORONTO. EM. 4-4256

Specialists in Special Situations.

Thomson, Kernaghan & Co. Ltd.

Members, the Toronto Stock Exchange

Robinson, Little Profit Up 98%

Robinson, Little & Co., Winnipeg, net profit rose 98% to $38,156 for six months ended June 30/61 ($19,254 like period 1960). In same period sales to franchised dealers rose 7%.

President A. N. Leckie attributes improved picture to "increased sales volume" and "improved operations in the company-owned retail outlet division."

Working capital increased 4% from $852,765 to $886,326.

Company has continued its program of opening new dealer retail outlets, with four already established and six more planned before year-end. Major renovations and enlargements of premises have taken place in six other outlets.

Company operates company-owned and dealer franchise dry goods outlets in Western Canada from the Lakehead to eastern B. C.

ANNOUNCEMENT

TURNBULL APPOINTMENT

WALTER N. SEAMAN

Mr. M. C. Stafford, B.A. Sc., President of Turnbull Elevator of Canada Limited, is pleased to announce the appointment of Mr. Walter N. Seaman as Branch Manager of the Edmonton District Operations of the Company. Mr. Seaman was previously Branch Manager of the Lakehead District with Headquarters at Port Arthur, Ontario. He has been associated with the Company for twenty years.

ONE OF THE 3 TRULY GREAT CANADIAN RYE WHISKYS

CARRINGTON'S CANADIAN WHISKY

CARRINGTON'S CANADIAN WHISKY

ALBERTA DISTILLERS, LIMITED

Our Beloved Friend

Over four million Canadians — one in every four or five of our total population— are now receiving regular cheques from good, old, bountiful Ottawa.

These regular handouts of various kinds amount to about $1.5 billion a year—and don't even include the pay cheques for the hundreds of thousands of people directly employed by governments at all levels.

The family allowance now provides more than 2.6 million mothers with $523 million a year.

Some 900,900 Canadians are now getting old age pensions worth $607 million.

Over 187,000 veterans and their dependents are collecting $217 million annually.

Special assistance to the blind, the disabled, the unemployed unemployables and to those 65-69 years of age and in need means another 409,000 regular cheques amounting to $97 million a year.

Over and above those direct handouts are scores of helps, aids, props and comforts for the citizenry.

Health grants and hospital insurance for example will cost the federal government alone over $317 million in 1961-62.

Other special federal grants and subsidies of infinite variety will come to $388 million this year, with $84 million alone earmarked for the faithful farmer.

As well as subsidizing a wide range of people and industries, government is also deeply into business enterprise on its own hook.

Ottawa alone has $3.5 billion worth in loans outstanding to crown corporations. And it still pays another $250 million a year to help out with running expenses for these "nationalized" businesses.

Here's a Job for Somebody

Only the doctors and only the hospitals know how many needless deaths there are every year because inert accident victims have been given first aid or medical treatment that was all wrong for their special medical problem.

But this much is sure: Thousands of Canadian epileptics, diabetics, those with horrendous allergies to certain drugs, or those with special blood types live in fear of an accident or emergency that would render them incapable of warning first aid people or doctors of their condition.

What is being done about it? So far, not enough.

The Canadian Medic-Alert Foundation, a non-profit group, has recently been formed in Toronto to provide a system of medical identification—and already has 2,000 members. It provides a silver or stainless steel disc or bracelet with the owner's serial number and medical problem engraved on the reverse side. All serial numbers are kept in a central file at the parent organization's head office in Turlock, California, where emergency calls are accepted 24 hours a day from any part of the world.

This is a good idea. But getting a nationwide system of medical identification going is far too big a job to be left to a handful of noon hour and week-end volunteers. On a volunteer basis it will take years before a central file can be financed in Canada—and until then, calls will have to be made all the way to California.

What is the Canadian Medical Association doing these days that keeps it too busy to sponsor or organize such an identification system? Why doesn't somebody get this going?

The War Amputations of Canada society has proved for itself a very useful group enterprise with its car key lost and found service.

The Medic-Alert idea is an inviting one for some similar group.

Can Courtesy Survive?

One of the few places where the cordial old courtesies are still practised is on Canada's inland waterways. An old skiff with a beat-up outboard doesn't pass a 50-ft. luxury cruiser without their respective captains exchanging a genial wave of the hand.

When an amateur skipper fouls his line negotiating a tricky lock, few sound an impatient horn. At dockside, when the cruisers put in to spend the night, complete strangers are likely to fraternize, swap gossip and oddments of marine know how and perhaps share a convivial cup.

There was a time in the early days of motor-car travel when the same camaraderie prevailed. No cars whipped by a helpless damsel struggling to change a wheel. The sound of the klaxon might be raised in fright but never in protest or anger.

It is true that many of our lakes are now made hideous by the roar of overcharged outboards driven by underdeveloped kids. But it is devoutly to be hoped that the surge of enthusiasm for boating will not completely kill the cordiality and consideration that does exist still on our waterways.

This Yankee—Go Home

The Canadian Labor Congress would win the respect of all thoughtful Canadians if it now turned its considerable talents and powers to forestalling the growth of the Hoffa influence in Canada.

The policies that Hoffa led his lackeys to endorse at the so-called convention of U. S. Teamsters are repugnant to every tradition of decent Canadian unionism and are bound to do Canadian Teamsters as well as all Canadian unionists real harm.

Item. The Teamsters struck from their constitution the clause that prevents convicted racketeers from holding office. Hoffa's yes-men have every reason to want the Hoffa dictatorship strengthened in this way, but of what conceivable benefit is it to Canadian teamsters to belong to an organization infested with extremely dubious characters?

Item. The Teamsters turned down a scheme for secret balloting, denouncing as "yellow-bellied" all those who won't stand up and be counted. This perpetuates Hoffa's absolute and arbitrary control. Is this what Canadian unionists think is best for Canadian labor?

Item. By unanimous vote, the Teamsters, who have been ejected from all labor congresses for violating ethical codes, voted to extend the union's scope to include every occupation everywhere. That is the challenge that the Canadian Labor Congress must respond to, if only for reasons of self-preservation.

Hoffa's new "mandate" from American Teamsterdom makes more urgent than ever the thwarting of his vast ambitions and the containing of his insidious power in this country.

Cutting Hoffa himself down to size is a job for U. S. Teamsters or possibly, in due time, the U. S. government. But Canadian workers who respect democratic unionism in which they can participate fully will decline to have anything to do with him and his sleazy, disreputable associates.

No other objective, surely, is so important to the reputation, well-being and safety of the labor movement in Canada.

Convention Follies

Party conventions of all stripes have at least one thing in common. They can't resist the temptation to promise undeliverable pie in the sky.

True to form, the new left-wing party recently launched in Ottawa offers a government guarantee of jobs for all and good wages for everybody. Just like that. With no reservation.

This was a zany bit of rabble-rousing for a party that prides itself on having a strong intellectual wing. Indeed, one of its intellectuals, Eugene Forsey, warned that the proposition was absurd.

Governments can and do *relieve* unemployment, sometimes at immense public expense, sometimes by devising a climate in which business can more easily expand.

But no government can promise everyone a genuine job — meaning a place of real usefulness in the productive system — unless it proposes to regiment all labor, take over all industry, and set up a totalitarian state.

If there was any other way of doing it, would not the magic formula have been long since discovered in the U.K., the U.S. or some other free country?

Party platforms are written in water; and the new leader elected in Ottawa will have too much sense, it is to be hoped, to try to sell the job-guarantee delusion. To forget the idea would be the better part of wisdom.

Guilty of Eavesdropping?

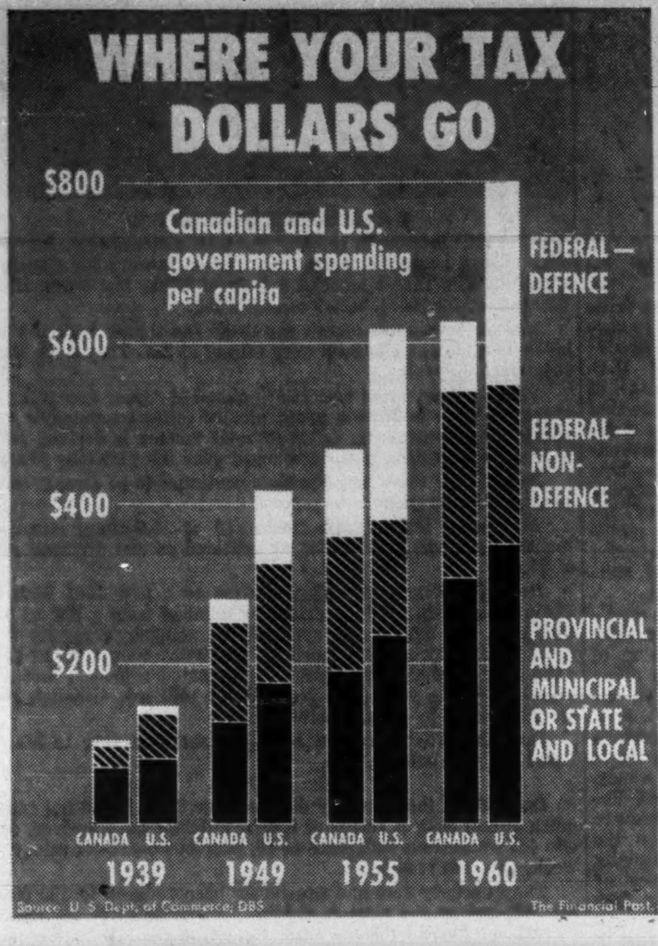
Wire-tapping as a business practice has spread to England; and it has given rise to a legal action which will be both fascinating and instructive to Canadians.

A British general manager ("presumably paranoid," the report says) installed hidden listening devices and recording equipment in the offices of his juniors. When a playback produced a scarifying bit of dialogue about himself between two of them he fired them instanter.

They asked a lawyer if they had any redress. He advised that the manager had probably been guilty of trespass; so they have taken the appropriate action.

The law in Canada is not clear on wire-tapping and electronic eavesdropping. No statute explicitly forbids listening in to someone else's private conversation, provided the listener keeps to himself the information he has gathered or uses it only for his own purposes.

But the British case may provide a remedy. Trespass is a common law offence here as in the rest of the English-speaking world. Is the eavesdropper one who trespasses against us? Could be.



Post Scripts

Pure Chemistry

When the 18th International Congress of Pure and Applied Chemistry met in Montreal last week for the first time in Canada, chairman of the central committee was a Canadian with a distinguished public service record — Dr. Leo Marion, 62, of Ottawa.

A senior director of the National Research Council, which he joined in 1929, Dr. Marion is also the new president of the 6,500-member Chemical Institute of Canada. He was elected at CIC's 44th annual meeting in Montreal earlier this month (**FP**, Aug. 12). He heads Canada's chemists and chemical engineers at a time when the stress is on applied research to match rising industrial activity.

The Ottawa-born scientist studied at Queen's (MSc in 1927), McGill (PhD in 1929) and did postdoctorate work at the University of Vienna in 1934.

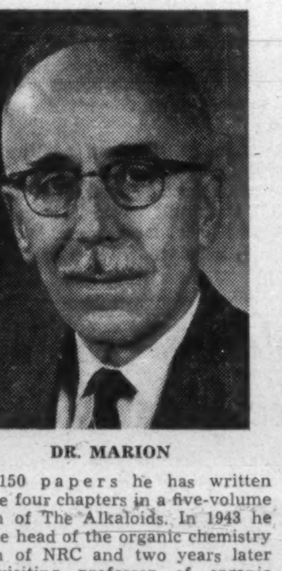
He is widely known for his research on alkaloids and the more than 150 papers he has written include four chapters in a five-volume edition of The Alkaloids. In 1943 he became head of the organic chemistry section of NRC and two years later was visiting professor of organic chemistry at the University of Montreal.

He is editor-in-chief of the Canadian Journals of Research, an important group of scientific journals published by NRC and started in 1930 by Marion.

Since 1952 he has been director of NRC's division of pure chemistry.

The vigorous and fluent scientist has received honorary degrees from Laval, Ottawa and Queen's. For his war efforts, he became a Member of the British Empire in 1946. He is a Fellow of the Royal Society of Canada. He has received medals from the Professional Institute of Public Service of Canada, Chemical Institute of Canada, French Canadian Association for the Advancement of Science.

Marion belongs to the American Chemical Society, and became in 1957 an honorary member of the Chemistry Society of France.


DR. MARION

Speaks for Weeklies

As new president of the Canadian Weekly Newspapers Association, John Rundle McLachlan, 50, editor and publisher of the Virden, Man., Empire-Advance, will be able to share his training in business administration with the CWNA's other 520 members.

He was a cost accountant and secretary with several Toronto firms before he succeeded his father, Jack, as editor of the Empire-Advance in 1946.

McLachlan became spokesman for the weeklies at the CWNA's 42nd annual meeting at Halifax this week, succeeding Werden Levens of the Bolton, Ont., Enterprise. Member newspapers have a combined circulation of over 1 million.

Born at Virden, McLachlan studied commerce at Brandon College, McMaster University and the University of Chicago. In the 1930s he taught high school in Manitoba.

Under his capable leadership, the Empire-Advance (circulation 2,000) has three times won the award for the best weekly editorial page in Manitoba. In 1948 it won the national trophy for the best editorials. The 1955 and 1956 Christmas editions also won first place in a national contest.

Alert to modern trends, McLachlan changed the format and plant operation of his successful paper. He gave efficiency hints to other weeklies when he was president of the Manitoba Weekly Newspapers Association in 1949. He is a director with both the Manitoba association and the CWNA. His father was CWNA president 20 years ago.

Bachelor McLachlan believes in boosting Virden — "Manitoba's Oil Centre". He has been secretary of the Virden chamber of commerce and president of Virden Music and Arts Festival. His hobbies include music (director for 15 years of St. Paul's United Church choir), reading (president of Virden Library Association) and traveling.

MR. KILLOUGH

Efficiency and Exports

Walter William Killough brings a valuable asset to his new job as president of International Harvester Co. of Canada — practical experience of building an export market.

He comes from Australia where as chairman and managing director of International Harvester's operations in the Antipodes he built export sales from almost nil to over $1 million to some 70 countries.

With Canada and Australia having similar problems — a large country, small but growing population, expanding prospects and potentialities, Killough's know-how should stand him in good stead directing operations here. "Efficiency and exports go hand-in-hand," he says. "We have the same market as the rest of the world —so we have to go and get it."

Killough's mild manner and silver hair are deceptive. He is an alert, brisk executive. A few hours after arriving at the Canadian company's head office in Hamilton, he set off with his predecessor, Omer G. Voss, for the Maritimes, first leg of a cross-country tour. Voss moves to a new senior appointment with International Harvester in Chicago.

International Harvester employs 7,000 in the Canadian operations. Annual sales in 1960 topped $156 million.

Born in Hobart, Oklahoma in 1904, Killough joined IHC in 1935 as a truck salesman. After various appointments, he went to Australia in 1944, where he has had a distinguished career. His interests in public affairs there embraced education, management, exports and social service.

He was chairman of the Australian government-backed export consciousness committee and director of the export development and the productivity councils. He was awarded an honorary OBE in the New Year Honors List this year — a rare distinction for an American.

Married with two children and four grandchildren, Killough regards his new position as a "wonderful opportunity".

Why Pay to Ride?

It would be cheaper for our crowded urban municipalities to provide "free" downtown transit than to pay the enormous costs of super-roads to handle the ever-increasing torrent of private motor cars.

This is the opinion of Hans Blumenfeld, planning consultant to Metropolitan Toronto.

Our urban bus and subway services should be paid out of taxes, levied on the whole community. Here's how it would work.

By HANS BLUMENFELD

There is nothing revolutionary about providing "free" transportation. It is done by every elevator in any office building or apartment. The cost of the service is collected as part of the rent from all tenants, whether they use it 100 times a day or not at all.

Why do we collect fares for aircraft flights and not for elevator rides? Why shouldn't bus and subway services be financed like elevator services instead of airline services?

If air travel were "free", junkets to Florida would absorb a lot of labor and capital that could be put to better use.

But few people ride on buses or the subway in rush hours just for fun. At other times it costs no more to have all seats filled, rather than half of them.

The person who benefits from a service pays for it. This was a valid reason for charging fares when the alternative to transit riding was walking. It would have been grossly unfair to ask the man who walked to pay so that his neighbor could ride in the street car or subway train.

But today the alternative is generally not walking. You can drive your own car. The driver benefits when his neighbor leaves his car at home and takes the subway or bus. But if everyone who comes downtown each day by public transport drove a car there would be an enormous traffic jam. It is true, of course, that not everyone wants to drive downtown. But then not everyone uses a park or playground, yet all pay for it.

From the point of view of fairness there can be no serious objection to financing municipal transit by taxes, rather than pay-as-you-ride.

What are the disadvantages of charging fares?

Nobody collects fares on elevators for the simple reason it would cost more than it was worth. The collecting, checking and bookkeeping of fares adds to the operating costs of big city transit operations.

If fares were abolished—

1—Passengers could board street cars and buses at two or more doors. This would reduce running time by as much as 10%. Faster rides would attract more passengers.

2—Some 30% to 40% more passengers would be carried. Half the increased number of passengers would be those who otherwise would drive their cars. This would keep one of every 10 cars off the streets, thus reducing traffic congestion.

3—Less traffic would mean reduced expenditure on roads and streets, particularly widening, on parking facilities and street maintenance.

It now costs Metropolitan Torontonians $40 million a year in fares to maintain the public transit system.

If fares were abolished, the cost of running the system with general tax monies would not be any higher—and Torontonians could get 400 million rides a year, instead of fewer than the 300 million they get today. Looking at it from the other side, the cost per ride would drop from 15c to around 10c.

What Would the U.S. Do?

Commenting on the report of the Royal Commission on Publications the Toledo Blade says:

"Those in the U. S. who criticize the magazine commission's proposed restrictions might not cry so loud about freedom of the press if, indeed, the U. S. periodical field was dominated by Canadian publishers to the extent the Canadian field is dominated by American ones.

"We would feel most certainly that Canadian publishers were eroding our national identity and usurping a means of domestic communications among Americans—not simply contributing a Canadian point of view to our newsstands.

"If the Royal Commission in Canada proposed any bar on American publications circulating in Canada, which it does not, there would be genuine occasion for a charge of censorship. And, although we regret to see the spirit of 'protectionism' extended to the publications field, although the tax-tariff weapon is innately a dangerous one when directed at publications, we cannot blame Canadians for seeking some method to deal with a far-from-normal situation in the life of an adjoining but separate nation.

"The Canadian commission recognizes and accepts the close ties by which history and geography and shared ideals bind Americans and Canadians. It specifically rejects either anti-Americanism or Canadian ultranationalism. But Canada has a domestic life of its own in which the commission justifiably feels that it is essential for a 'truly Canadian printing press' to furnish 'the critical analysis, the informed discourse and dialogue which are indispensable in a sovereign society'.

"Disavowing an attempt to suppress the foreign, it says that its 'sole purpose has been to find a way to guarantee for Canadians their own communications media'. We Americans may not like the answer provided, but what would we propose if the situations were reversed?"

"Quote—Unquote"

President William McKinley in 1898:

"The mission of the United States is one of benevolent assimilation."

Insider's Newsletter:

"Doctors at the University of Missouri School of Medicine have figured out that the average person blinks 25 times a minute and that each blink averages two-tenths of a second. From this the doctors have calculated that if you drive for 10 hours at 40 mph, you drive 33 miles with your eyes closed."

* * *

Industry, published by the Canadian Manufacturers' Association:

"The average work week has been falling by something like 10 hours every generation since about 1870. In that year it was about 70 hours, by 1900 it was down to 60 hours, by 1930 to 50 hours and by 1960 to 40 hours.

"If this rate of decline is maintained we should arrive at the 30-hour week by 1990, the 20-hour week by 2020, the 10-hour week by 2050, and the—well, do we really have to go on?"

Stop Me If . . .

Census taker: "How many bushels of corn did you raise last year?"

Home-Brewer: "Didn't bushel it — bottled it."

The Financial Post

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FP features

J. B. McGEACHY

Is Canada being brain-washed by U.S. war propaganda?

THIS IS A REPORT on the astonishing response of readers to a recent column of mine about the so-called "Berlin crisis."

I wrote that the Western "outpost" in Berlin was a liability rather than an asset, that it was untenable in the long run anyway, and that a war about it would be an idiot's delight if ever there was one.

As these are not the approved official opinions on the subject, I expected protests from outraged patriots who feel that we must "stand firm" in Berlin at any risk or cost. Instead of that, shouts of enthusiastic approval reached me from New Brunswick, Vancouver Island, Texas and other places.

I propose to make a column mainly out of extracts from some of these letters. They had a terrific impact on me (**FP** readers are not commonly given to writing to the newspaper in such volume or such emotional terms) and I think they might have a beneficial effect on some politicians.

Of course I'm not a public opinion pollster. I have heard from only a small fraction of the Canadian nation. But oddly enough the segment of the population I hear from has turned out to be in earlier times of excitement (e.g., the Suez business and the elections of 1957 and 1958) pretty close to the national consensus.

According to my mail, Canadians:

—Feel we are being brainwashed and bamboozled by U.S. propaganda into thinking that a war over Berlin is somehow inevitable or desirable;

—Take no special pride in the contribution of our statesmen to the public discussion so far;

—Feel quite indifferent about the political future of West Berlin, though not unfriendly to its inhabitants, and have no inclination whatever to take military risks in its behalf;

—Believe that if both sides would just stop foaming at the mouth, it would be a simple matter to arrange a Berlin settlement.

In quoting my letters I will omit expressions like "God bless you," "I was just waiting for someone to say what you've said," "most sensible statement on the question I've seen," "first intelligent analysis of the Berlin situation I've read" and so on. If it sounds vainglorious even to mention such bits, which occur in almost every letter, my excuse is that I want to convey the intensity of public feeling on this matter, as I judge it, and the strength of convictions held.

Among my correspondents, of course, there were dissenters, exactly two of them. And perhaps it will be well to cope with them first. One chap in Ontario, in an amiable way, just said I was wrong and recited arguments I thought I had exploded in my original piece. There was a lot more gunpowder in the other objector's letter.

This man from Mesquite, Texas, wrote (I'm leaving out names because I don't suppose the writers expected to be quoted in print): "I have come to the conclusion that the world is full of Pinkos . . . I wish we could transplant all negotiators, Pinkos and fellow travelers to the middle of the Atlantic. Then both sides could shoot over their heads and do no harm to the self-loving cream-puffs."

There's real, red-hot controversy for you, as conducted in the Old South, sah, and I think the gentleman from Texas answers himself quite satisfactorily. However, if I happened to be on a platform with him or any other American of the same persuasion (and could get a word in edgeways before guns were drawn to blow up the cream puffs) I would briefly make these points:

"The U.S. fought in the two World Wars for precisely 50.1% of the time and consequently suffered casualties far lower than other combatants. (E.g., the U. K., in ratio to population, lost NINE times as much blood as the U. S.) If the Americans now want to have a war with the Russians, it's their sovereign right to go ahead and have it. But in view of their performance in 1914-17 and 1939-41, should the other people who are not eager to rush into World War III with them—at the very first bang — be described as cream puffs? It doesn't seem just. Turn about in these matters is surely fair play."

J. B. McGEACHY

"Letters from FP readers indicate overwhelming agreement with the opinion that a war fought over West Berlin would be an idiot's delight."

However, the probability of my delivering such a speech in Mesquite, Texas, seems exceedingly remote; so let us get on with the letters that share my point of view.

A short one from one of the ablest and most celebrated public officials in the country: "Your article on the Berlin issue . . . just about the best yet. I do hope that somehow someone will get a little sanity into the minds of those who are talking about and accepting the idea of a nuclear war on this mad issue."

The president of a company in London, Ont., writes: "The unanimity of opinion expressed in American publications, and by leading American officials, leads me to suspect a sort of organized hysteria to strengthen Kennedy's hand in the game of threats and counter-threats. I do hope that you and other Canadian writers will persist in recording your views; and that enough of these ideas will trickle down across the border to chill some of the hot air."

The same writer adds that there are too many people in the world who need our aid, and had no responsibility for the events of 1939-45, for us seriously to consider a war with today's weapons over the Berliners.

Not many letter-writers emphasize the fact, though it's true, that the West Berliners' claim on our sympathy is pretty weak; but a New Brunswick man says: "West Berlin is not worth the bones of one fisherman's boy on the Fundy coast."

The same correspondent touches on a theme that appears in many letters when he adds: "The rest of the Western world is bumping along in the rumble seat, with Uncle Sam up front at the steering wheel — and a teenager in that position in spite of his chin whisker." (He must mean that Mr. Kennedy, metaphorically, wears Uncle Sam's goatee.) This is one of several references to the president's youth.

Here's a salty letter, or bits of it, from the other coast. (The two coasts produce salty writers.)

A reader from Victoria says: "I have just finished passing around the last **FP** among my friends and colleagues, a bunch of coasting skippers and engineers. It was open at your page and did they ever love it . . . **Most are vets and none want to see the two Germanys united ever again. They all take a dim view of Berlin and of Dief's 'me too' speech recently.** I think all of us voted for him . . . I think all of us think the Yanks are nutty as fruit cakes and the people are as crackers as the bosses. Our chaps go in their cars to Seattle, Portland and Frisco for holidays. They meet people and are asked some odd questions."

The skipper winds up by suggesting that Americans on the Pacific coast don't know what goes on and could do with some enlightenment through candid articles about Berlin.

This confirms what a woman writes from Beverley Hills, the movie colony: "Your article on Berlin refreshed us like rainfall in a parched desert. You'd know what I mean if you lived here."

This woman orders copies of my piece for circulation among "the benighted" Californians; and about a dozen other correspondents want to get it into the hands of either the great and powerful or ordinary mortals.

A man in Summit, N.J., wants to know if I would approve of his sending my piece to congressmen and sundry heads of state.

Correspondents in Vancouver, Toronto and elsewhere have the same idea.

A Montreal professional man tells me he has already written to Kennedy expounding the proposition (which I said was at least worth discussing) that West Berlin should be evacuated and swapped, as a patch of territory, for a piece of East German land contiguous to the Bonn Republic.

This brings me to a moving and eloquent letter from a woman of Polish origin, now living in Quebec province with her husband and family. She teaches, the husband is an engineer and the children are enjoying their work at school and university. They are thoroughly at home and happy in Canada. All they want is peace. My correspondent appears to write with some direct knowledge of war.

She speaks of her "appalled horror at the criminal glibness with which statesmen, broadcasters and journalists bandy about the concept of a possible nuclear holocaust."

Then she makes a point not made in any other letter. This is that swapping bits of territory (as suggested for W. Berlin) has been normal procedure in Central and Eastern Europe for centuries. She speaks, unhappily, about transfers of Polish territories and famed Polish cities. "You will readily understand," she says, "why our hearts fail to bleed for the inconvenience such a course of events may cause for some two million Berliners."

She goes on to say, with pulverizing logic: "In the days of Yalta, when Poland, Czechoslovakia, the Baltic states and others were so calmly relinquished to their fate within the Communist bloc, no American voice was raised in favor of a firm stand for the rights of these true and trusted allies. Yet those were the days when the nuclear deterrent really could be expected to deter, being held exclusively in American hands."

Toward the end of her letter: "Is it surprising that the threat hanging over the heads of all the children of the world — whether Canadian, German, Russian or American — fills a mother and a teacher with dismay and terror? We hear statesmen talking of nuclear fallout shelters, blithely ignoring the fact that in a nuclear war those killed outright would be the happy ones. They would not live to see their children wither away, either barren or heirs to some unspeakable mutations in a barren, distorted, dying world."

There is only room for snatches from other letters:

A woman in Willowdale, Ont., writes that most current comment on Berlin "shows just how far we have been brainwashed by American propaganda."

From a distinguished public official: "If the States and Russia are mad enough to do a job on one another, along with the U. K., most of Europe and Canada, the only possible beneficiaries, provided radiation effects are not world-wide, would be the Asians, Africans and Latin Americans, who could then inherit the earth for what it would be worth. The 'survival' stuff is so imbecile, as if everything would be settled by having a percentage of the population stay in fall-out shelters for a time and then emerge. Total amnesia is what the world seems to need."

Another public official says: (Your article is) "eminently sound historically and interpretively . . . I hope our parliamentarians and commentators may find such food for thought as may end their parroting of much too much of the official line flowing into this country from Washington."

A third public official: "Kennedy assuming the mantle of the paladin of freedom is nothing less than arrogant when he assumes that those whom he leads have countenanced their own destruction. 'No annihilation without representation' is a good rallying cry for the times. The Russians obviously don't want to be destroyed any more than we do. Therefore they are bound sooner or later to come to a working arrangement with the West . . . Berlin is the kept woman of Europe. You did well to explode the cliché of 'the outpost of freedom'."

A woman in Vancouver, who throws a bigger bunch of flowers at the press than it's accustomed to receiving: "Monstrous and ridiculous to consider going to war over Berlin . . . It's to be regretted that the sanity that is shown often by editors and commentators should rarely characterize the men who make the decisions."

A housewife in Edmonton: "I think along very much the same lines as you."

A man in Ottawa: "Keep up the good work."

An engineer in Quebec: "Among my friends and associates your ideas would certainly not be considered 'unorthodox' but rather the basis for intelligent policy-making to insure survival."

A housewife in Halifax, N.S.: "I agree with you. Thanks to you and thanks to The Financial Post."

A businessman in Vancouver, after saying he approves of my line on Berlin: "I just finished lunch with two prosperous doctors. We disagreed violently about Berlin. They talked of Munich and holding the line, etc., (rather loudly and with sidewise glances). Then it became apparent that both thought Berlin was in the **Western** sector of Germany and that Mr. K had demanded a united Germany under Communist rule. This total ignorance I find is appallingly common . . . But nothing frightens me so much as my neighbor. He is as brainwashed as any marine released from China. His party line is Time's line and it is usually as far from reality as the Daily Worker."

I am thoroughly convinced that the Canadian public is in no mood of enthusiasm for fighting the Russians about Berlin — quite the reverse, indeed. If this is true, I suggest our leading statesmen ought to know about it. Perhaps, as some think, Canada is a helpless pawn in world affairs. In that case, let us hear no more of the pretence that we possess either a defence policy or a foreign policy. But if we do in fact have a voice, I think that what the voice is now saying ought to move a bit closer to what the nation thinks and feels.

Advance Sales $1 Million For the O'Keefe Centre

Toronto's O'Keefe Centre for the Performing Arts has one season under its belt, and $1 million of advance subscription money in the till for next season.

That means, says Hugh P. Walker, managing director, at least 20% of the seat capacity is covered (20,000 subscribers for a 10-seat series, against 18,000 sold last season).

The centre lost money in its first season, "but no more than expected," says Walker.

Financial experts estimated (**FP**, Feb. 4) that the Centre might have lost $1.5 million on an annual rate, if it was considered to be a "commercial" enterprise paying interest on $12 million invested in property, plant and equipment, allowing nothing for depreciation.

But the centre is not a commercial operation. It's sponsored, and losses are absorbed by **Canadian Breweries Ltd.**

In spite of the "getting going" losses, Walker says he's pleased with the results and experience gained.

Walker is pitted against the tough New York producers, fighting for a bigger share of the "take" for the centre. He feels he's winning this duel.

The management, he says, has discovered ways to save on operating expenses.

And by testing what types of shows will be popular, many faulty steps won't be repeated, he believes.

Apart from some "bad guesses", ("Impulse", 27.5% of capacity; "Once Upon a Mattress," 28%) Walker thinks the record of the first season is pretty good.

Patrons, 678,000 of them, paid $2.7 million for 34½ weeks of top shows. That worked out to an average 78% of capacity attendance.

"But we're in the midst of our biggest gamble at the centre right now," Walker says.

He refers to seven weeks of shows, offered to summer patrons at almost half-price, for the equivalent of high-grade summer stock.

Opening production was "West Side Story".

One of the devices to save money on this show was that musicians are cut down from 30 (music was scored for this number) to 14.

"Lots of other economies in operation were found," says Walker.

In spite of the need for economy, he knew that a very high percentage of seating capacity had to be sold to make the deal pay.

More than half way through Walker's summer gamble, he reports attendance is "good", with many performances playing to standing room only.

Toronto restaurants, hotels, taxis, hairdressers, and a variety of other service people are "happy" to see such a big summer attraction in Toronto, Walker says.

ROCK SALT FACILITIES

MONTREAL (Staff) — **Canadian Rock Salt Co.**, subsidiary of **The Canadian Salt Co.**, Montreal, has opened a new bulk storage shed and marine shipping terminal adjacent to its Pugwash, N.S., mine. Cost was over $300,000.

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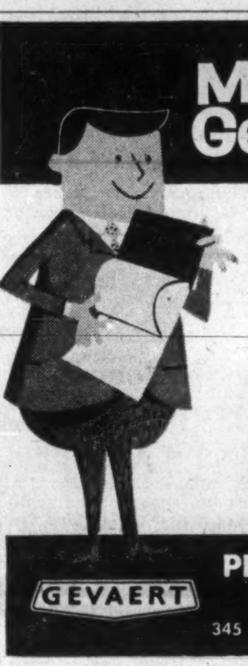

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This 'Mother Hen' Store Plans to Have 'Chickens'

A "mother hen" downtown store with suburban "chickens."

That's the formula in the expansion plans of **John Northway & Son Ltd.**, a Toronto-based department store chain (**FP**, Feb. 25/61, Nov. 12/60).

The company this week takes over the 30-store southern Ontario chain of **Lady Ellis Shops Ltd.** which does an annual turnover of $2¼ million.

It makes Northway a 36-store organization, with two more Hamilton stores planned for fall opening.

"We plan to expand into other parts of Canada," David Rush of Northway's says.

"In each major city, we plan a major downtown department store to provide a promotional and organizational umbrella for branch stores and shops in suburbs and nearby towns.

"At the moment, we are talking with three more chains."

Rush, a promoter and financier who took over Northway's last fall, says the company now has "saturation" of the Toronto area market.

The Lady Ellis shops traditionally have specialized in lingerie and hosiery, but some have expanded to include dresses and sportswear.

Integration of the shops into Northway's will begin at once, Ruby M. Hamra, president, says.

A cash deal, the price of the chain was "under $1 million."

Three men have been named to Northway's top management. They are: C. F. Lyons, a director and vice-president; B. A. Griffis, comptroller; and James C. Lea, operating manager and Toronto store manager.

Pressed Steel Products for Crane

Crane Ltd., Montreal, will manufacture for the Canadian market certain pressed steel products which are made in U. S. by **AllianceWare Inc.**

This follows acquisition by the Canadian firm's parent, **Crane Co.**, New York, of AllianceWare Inc., formerly a subsidiary of **American Metal Products Co.**

AllianceWare makes pressed steel plumbing fixtures and AllianceWall, a porcelain-on-metal product used in construction and re-modelling.

Crane is building a 200,000 sq. ft. plant in Stratford, Ont., to make enameled steel plumbing products. It operates a similar plant in Vancouver, and has potteries in St. Johns, Que., and New Westminster, B.C.

ANNOUNCEMENT

PRUDENTIAL OF ENGLAND APPOINTMENT

DONALD J. MacLEAN

The Prudential Assurance Company Limited of England is pleased to announce the appointment of Donald J. MacLean, B.A., C.L.U., as Manager of its Central Ontario Life Branch.

Mr. MacLean started his life insurance career in the Actuarial Department of the Company's Head Office in Montreal in 1949 following graduation from Mount Allison University. In 1954, after four years experience in the Group Life and Pension field, he moved to Toronto as a Life Underwriter. The same year he qualified as a Chartered Life Underwriter, winning the John L. Tory Medal, a distinction awarded to the top student of each graduating class. His outstanding success in personal sales won him many honours including life membership in the Million Dollar Round Table.

Widely known throughout the industry for his work with the Life Underwriters Association, Mr. MacLean is a past president of the Toronto L.U.A. and was chairman of the 1961 Ontario Sales Congress. He is currently a director of the national body.

Mr. MacLean's office is located at 55 York Stret, Room 205, Toronto 1, TEL. 364-9323.

(Advertisement)

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CFP 8-19

Growth Continues Business Survey Shows for July

Continuing growth of industrial activity is noted in the July survey of business by the Canadian Association of Purchasing Agents.

● **Half the surveyed firms** report an increase in new orders over the June level, only 13% reporting a decline. Remainder had no change.

● **Production was higher** in 53% of responding companies. Only 12% report lower output, blamed mainly on vacation shutdowns.

● **Employment was higher** in 41% of firms, a better showing than June.

● **Many respondents** named nickel, zinc, dyestuffs, yarns and tin as products carrying higher price tags.

Energy Board Approves Matador Pipeline

The National Energy Board of Canada has approved the application of **Matador Pipe Line Co.**, Denver, Col., to construct and operate a pipeline which will serve oilfields in North Dakota by a connection to the main trunk system of **Interprovincial Pipe Line Ltd.** at Cromer, Man.

As it stands now, the northern portion of North Dakota must rely solely on an expensive combination of truck and rail transportation to move crude from the area to the refineries.

Not only will the pipeline to be built by Matador permit less costly transportation, but it will also permit more efficient service since weather conditions do not hinder pipeline operations.

It is expected that the $3.5 million project will be completed by the end of 1961. Capacity will be 26,000 b/d.

Filter Firm Buys Plant in U.K.

A Canadian firm which makes engine filters has expanded operations with purchase of a plant in the U. K.

Fram Canada Ltd., Stratford, Ont., wholly-owned subsidiary of a U. S. firm, **Fram Corp.**, has bought a plant in Treforest, Wales, to make North American designed engine filters for the U. K. auto industry and for export.

Plant will be operated by a new subsidiary, **Fram Filters Ltd.** It will also be responsible for research and quality control for Fram's other facilities in France, Germany and Italy.

Fram Canada President P. F. Hartz says the new subsidiary will meet the needs of British and European manufacturers, particularly those exporting to Canada and U. S.

Fitting of Fram filters on European cars exported to Canada means that these filters could be replaced with Canadian-made units of the same specifications and quality.

Fram Canada has other subsidiaries in Chatham, Ont., and Nassau, Bahamas.

Good Gas Flow In Quebec Well

Drilling in the Pointe-du-Lac area in the Eastern Townships, Que., the team of **Bald Mountain Co.-Inter-City Propane Inc.** is reported to have encountered a heavy flow of natural gas.

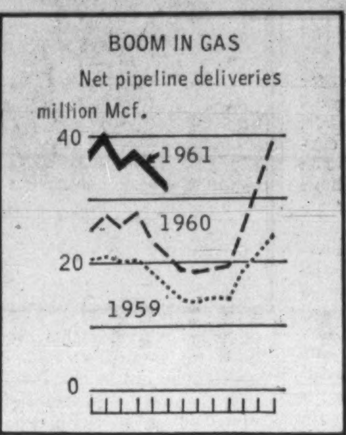
A Bald Mountain release places visually estimated flow at between 10 million and 20 million cu. ft. daily. The well will be opened over the next few days for accurate testing and detailed appraisal of its rated capacity.

The estimated flow indicates it could be one of the largest gas wells in eastern Canada. The gas came from a shallow depth, approximately 213 ft.

The well is located on a 60,000-acre oil and gas concession, originally granted to Inter-City, and farmed out to Bald Mountain.

FP rounds up TREND OF BUSINESS

Gas pipe lines delivered 31,271 million cu. ft. of natural gas in May, 48.5% more than a year ago. Daily average in the month was 1,009 million cu. ft. (679 million cu. ft. in May/60). Year-to-date deliveries through transmission systems totalled 290,356 million cu. ft. (190,036 million cu. ft.), a daily average of 1,170 million cu. ft., 43% higher than last year. Exports of gas, 73% greater than a year ago, amounted to 25% of total deliveries compared with 22% in January-May, 1960.



Sales by wholesalers in May were estimated at $853 million, nearly 3% higher than in May/60. Total for five-month period lagged 4.4% behind last year.

Exports down in May. Valued at $461 million, sales abroad were 5% lower than a year earlier. January-May exports, totaling $2,169 million were up 1%, the net result of higher sales to all areas except U. S. and a contraction of 8.4% in sales to U. S.

Deficit of $90 million in Canada's external trade in May was the outcome of the decline in exports and a jump in imports to record levels. This compares with a surplus of $15 million in April and a deficit of $30 million a year ago. Merchandise balance for five months was $107 million deficit ($174 million in 1960).

May nickel production, 19,710 tons, was up substantially from April and 14.5% greater than a year ago. Total of 89,690 tons in year to date was 3.9% above last year and one third higher than in 1959. Output of copper in May, while higher than in April, was 2% lower than in May/60. January-May production total of 177,616 tons decreased 3% from 1960 but was 20% above the same 1959 period.

Less flour milled. Operating at 78% capacity in June, mills produced 3,150,000 cwt. of wheat flour, down 14% from last year and 10% below 10-year average. Total for 11 months of crop year was 37.1 million cwt., down 1.7%. Shipments abroad in first nine months of crop year totaled 12 million cwt., up 19% from year earlier.

Major Weekly Indicators

	Latest or Week	Date Ended	Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Aug. 12)	....	....	....	....
Truck production	(Aug. 12)	....	....	....	....
Bus. fail. 4-wk. moving av. (no.)	(Aug. 3)	36.0	35.0	—14.9	+20.8
Steel ingot production .. (tons)	(Aug. 5)	122,810	118,305	—4.5	+54.8
Index of production†	(Aug. 5)	127	123	—5.2	+53.0
T.S.E. industrial index	(Aug. 15)	597.31	601.75	+3.0	+21.3
Yield 114 stocks	(Aug. 14)	4.11%	4.10%	—1.7	—13.5
Chartered Banks					
Personal savings . ($ millions)	(Aug. 2)	7,604	7,528	+0.9	+5.4
Loans outstand. . ($ millions)	(Aug. 2)	6,609	6.545	+1.2	+3.9
NHA mtge. hldgs. . ($ millions)	(Aug. 2)	955	957	+0.1	—2.7
Cdn. dollar .... (U.S. cents av.)	(Aug. 15)	96.858	96.887	+0.1	—6.2
Carloading totals	(July 21)	73,984	74,287	+1.8	—3.7
Eastern Canada	(July 21)	46,324	46,828	—2.4	—8.6
Western Canada	(July 21)	27,660	27,459	—0.8	+5.7
Iron and steel mfg.	(July 21)	1,078	1,080	+5.1	—2.8
Ores, concentrates	(July 21)	10,542	11,184	+13.3	—21.9
Base metals	(July 21)	539	538	—16.3	+41.5
Lumber, timber, plywood	(July 21)	4,671	4,657	—3.9	+6.6
Cement	(July 21)	891	793	+2.9	+34.2
Securities .... ($ millions)	(Aug. 9)	2,829	2,832	+1.2	+3.4
Short-term govt. . ($ millions)	(Aug. 9)	727	730	—5.0	—18.5
Long-term govt. . ($ millions)	(Aug. 9)	2,002	2,003	+3.6	+13.2
Other securities . ($ millions)	(Aug. 9)	25	25	....	+78.6
Department Store Sales					
% change from year earlier	(July 29)	+9.7	+8.1	+2.9	+2.4

†Based on average weekly production in 1957-59 of 98,108 tons = 100.

Facts by the Month

	Latest	Month	One Month Previous	—Change From— Two Months Ago %	Year Ago %
WHAT WE PRODUCE—					
In all Industries (Index)	May	170.5	166.2	+3.8	+0.5
In factories (Index)	May	151.7	147.7	+4.1	—1.0
Total nondurable goods (Index)	May	154.9	153.1	+3.3	+1.1
Food & bev.	May	144.9	143.8	+13.9	—3.5
Textiles	May	132.6	134.7	+6.7	+6.3
Clothing	May	106.4	109.8	—9.5	—3.4
Chemical products	May	228.9	234.3	+6.2	+0.7
Total durable goods (Index)	May	147.9	141.4	+5.1	—3.6
Iron and steel products	May	138.3	133.5	+5.3	—3.4
Primary iron & steel	May	189.3	169.4	+16.3	+14.8
—From mines (Index)	May	260.0	244.0	+9.8	+4.0
Metals	May	176.7	172.2	+1.0	—6.5
Nonferrous smelting, refining	May	170.6	167.2	+2.3	+7.7
Gold	May	107.5	112.6	—2.2	—2.4
—From farms					
Cattle delivered (000)	May	149	153	—11.8	+1.4
Hogs graded (000)	May	429	489	—23.9	—13.3
Grain mill products (Index)	May	135.8	141.5	+4.2	+2.7
—From sea					
East Coast catch ($000)	June	11,739	5,282	+317.9	+29.0
West Coast catch ($000)	June	4,108	2,573	+367.3	+50.9
—From forests					
Newsprint (000 tons)	June	558	592	+1.6	—1.4
U. S. publishers' stocks (days)	June	[illegible]	38	+16.3	+6.4
Pulp (000 tons)	May	1,002	932	+0.9	+7.4
—In powerhouses					
Electricity (million kwh.)	May	9,770	9,414	—0.9	+4.3
WHAT WE SELL—					
Retail sales ($ millions)	May	1,456	1,358	+10.6	+2.5
■Dept. store sales ($ millions)	June	118.5	124.8	+7.2	+5.0
■Wholesale sales ($ millions)	May	853	672	+18.1	+2.9
Mfrs. outstg. orders ($ millions)	May	2,019	2,026	—0.1	—4.0
Pass. car sales (units)	May	50,349	43,666	+29.7	—0.9
WHAT'S ON HAND—					
Mfrs. inventories ($ millions)	May	4,494	4,531	—1.3	—2.1
■Dept. store stock sales ratio	June	3.1	2.8	....	....
SPENDING, SAVING POWER—					
Labor income ($ millions)	May	1,586	1,536	+5.0	+3.2
Dividend payts. (Index) (Ann. rate)	June	111.9	111.4	+0.5	+5.4
JOBS—					
Persons with jobs (000)	June	6,222	6,085	+6.9	+1.4
Jobless seeking work (000)	June	370	457	—40.5	+17.5
Do. (% of labor force)	June	5.6	7.0	—42.3	+14.3
CONSTRUCTION—					
Contract awards ($ millions)	July	296	340	+6.9	+10.9
FOREIGN TRADE—					
Exports ($ millions)	May	461	453	+5.3	—5.1
Imports ($ millions)	May	551	438	+19.3	+6.8
MONEY—					
Money supply ($ millions)*	Apr.	13,686	13,550	+2.8	+6.7
Cheques cashed ($ millions)	June	26,861	26,203	+19.7	+3.8
Life insurance sales ($ millions)	June	535	505	+16.1	+1.1
Notice deposits ($ millions)	May	8,378	8,366	+1.2	+9.2
Current public loans ($ millions)	Apr.	6,430	6,363	+1.7	+5.2
PRICES—					
Consumer prices ((Index)	July	129.0	129.0	....	+1.2
Wholesale prices (Index)	July	234.0	231.4	+1.2	+0.7

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside of banking system.

STRATEGIC MATERIALS—Production and Supply—	Latest Month		Month yr. ago	Yr. to date	% chge. yr to date
■Steel ingots▲ (000 tons)	July	530.7	435.3	3,654.1	+2.8
■Nickel (000 tons)	May	19.7	16.9	89.7	+3.2
■Primary copper (000 tons)	May	36.9	35.3	177.6	—3.3
Lumber exports (millions fbm)	Feb.	276	258	631.0	—2.5
Lumber (millions fbm)	Apr.	531	720	2,480.7	—3.4

▲Ingots only —previous series included steel castings.

■New item this week.

Index based production 1949=100; dividend payments index 1936—100; consumer price index 1949—100; wholesale price index 1935-39=100

Date of issue for your file, The Financial Post, August 19, 1961.

Que. Nat. Gas Fights Off Bankruptcy

MONTREAL (Staff) — Glenn O. Maddock, president of **Quebec Natural Gas Corp.**, told **FP** at midweek that corporation will use every means at its disposal to avoid bankruptcy.

This could mean going back to the Quebec Electricity & Gas Board which last week granted only part of a requested increase.

However, a new application for increase could not be made for at least six months, he said.

QNG had applied for increased rates which would have given it an annual revenue increase of $2,795,000. This included a minimum bill of $1.50 per month.

It also included reduction for customers using 7,000 cu. ft. of gas or more per month.

The increase granted by the board will give QNG additional revenue of $1.5 million, according to board calculations.

Maddock also made these observations to **FP**:

▶ **It will be very** difficult for the corporation to attract outside capital necessary to acquire the customers.

▶ **The increase** is not sufficient to pay the large mortgage bond and debenture interest and the expenses involved in attracting additional customers.

▶ **It will take** the board of directors "some time" to decide how best to carry on.

▶ **The corporation** will re-negotiate its contract with **Trans-Canada Pipelines** probably "very soon."

▶ **If no increase** at all had been granted the corporation would have had no alternative but to "go under."

SAFETY GLASSES

Canadian Liquid Air Co., Montreal, is now distributing exclusively the entire line of Welsh safety spectacles for every type of application. Firm also handles Klear-Glass, a non-toxic, grease-free, scratchless, anti-fog solution for lenses.

N. S. Light's Profit Up 11%

Net profit of **Nova Scotia Light & Power Co.**, Halifax, rose 10.7% to $1,349,868 for six months ended June 30/61 compared with first-half 1960.

Earnings per common share equaled 83c (75c last year).

Gross revenue increased 12% to $10.4 million. Operating expenses were $5.5 million ($4.8 million).

Company says gross revenue improvement is due to greater sales, particularly to domestic customers. Increase in operating expenses reflects more thermal generation.

Figures are subject to audit.

'Amber Only' Lights Safer? Ontario Switches Its System

Ontario is currently changing all its traffic lights to the amber-only system, replacing the green-amber overlap lighting sequence when the lights switch from green to red.

This move brings the province in line with all other provinces—except Newfoundland—and with most of the U. S.

Apart from the reason of conformity, the decision was made on the basis of accident statistics.

There are fewer rear-end and intersection collisions with the amber-only system.

Under the green-amber overlap sequencing, if the amber light failed, the green showed alone for a short period—but long enough for an unsuspecting motorist to venture into the intersection.

With the amber-only system, if the amber light fails, no light shows—and the motorist slows down or stops. During this pause, the red comes on.

Ont. Energy Board Approves Gas Cut

The Ontario Energy Board has approved a **Consumers' Gas Co.** application for rate reductions. The new rates become effective Oct. 1 throughout company's service area in central Ontario. (**FP**, June 3.)

Reductions will represent savings for nearly all classes of customers — residential heating and cooking, flat rate water heating, commercial and industrial space heating.

UNDERWRITER WANTED

on a best efforts basis to take down $1,000,000 8% subordinated debenture bonds. Principal & Interest Guaranteed by an insurance company. Issuer a savings bank located in a British commonwealth Caribbean country. Substantial discount & generous terms. C. Jackson, 44 E. 67 St., N.Y. Tel. Regent 7-0085.

Top Calibre Executive Available

Established administrative reputation and sales record. Experienced in consulting engineering, general contracting. Both basic and fabricating steel industries. Professional engineer Ontario and Quebec. Present salary in excess of $15,000. Capable of direction, control and negotiations at high levels.

BOX 604
THE FINANCIAL POST, TORONTO

ANNOUNCEMENT

SHAWINIGAN CHEMICALS LIMITED APPOINTMENTS

E. D. LOUGHNEY

D. L. CAMPBELL

J. W. MORGAN

The appointment of E. D. Loughney, president of The British American Oil Company Limited, D. L. Campbell, executive vice-president, and J. W. Morgan, vice-president, to the Board of Directors of Shawinigan Chemicals Limited is announced by Dr. H. S. Sutherland, president of Shawinigan Chemicals Limited.

These appointments follow the recent acquisition by The British American Oil Company Limited of a 25 per cent interest in Shawinigan Chemicals Limited for which British American transferred its 50 per cent interest in B.A.-Shawinigan Limited to the Chemicals Company and in addition made a cash payment of $12,078,000.

These securities having been sold, this advertisement appears as a matter of record only

NEW ISSUE & OUTSTANDING ISSUE

The Winnipeg Supply & Fuel Company, Limited

(Incorporated under the laws of the Province of Manitoba)

129,760 Common Shares

(Without Nominal or Par Value)

Transfer Agent and Registrar: The Canada Trust Company

We, as principals, offer these Common Shares subject to prior sale and change in price, if, as and when issued in case of unissued shares by the Company and accepted by us and subject to the approval of all legal matters on behalf of the Company by Messrs. Thompson, Dilts, Jones, Hall and Dewar, Winnipeg, Manitoba, and on our behalf by Messrs. Pitblado, Hoskin & Company, Winnipeg, Manitoba. Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice.

Price $6.25 Per Share

It is expected that definitive certificates for Common Shares will be available for delivery on or about September 1, 1961. Application has been made for listing the Common Shares of The Winnipeg Supply & Fuel Company, Limited on the Winnipeg Stock Exchange.

A copy of the prospectus has been filed with the Provincial Secretary of the Province of Manitoba.

James Richardson & Sons **Greenshields Incorporated**

These debentures having been sold, this advertisement appears as a matter of record only

NEW ISSUE

$500,000

The Winnipeg Supply & Fuel Company, Limited

(Incorporated under the laws of the Province of Manitoba)

6¼% Serial Debentures, Series A

To be dated: September 1, 1961 To mature: September 1, 1962 to 1981

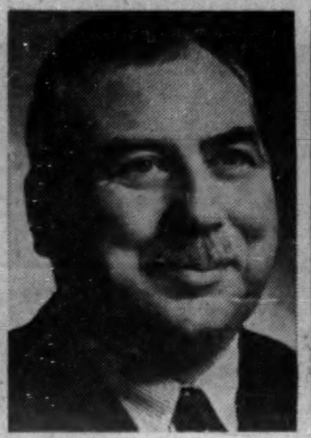
Trustee: The Canada Trust Company

In the opinion of Counsel these Debentures, Series A will be investments in which the Canadian and British Insurance Companies Act states that a company registered under Part III thereof may invest its funds without resorting to the provisions of sub-section (4) of section 63 of the said Act.

Price: 100 and accrued interest

James Richardson & Sons **Greenshields Incorporated**

SHRUM

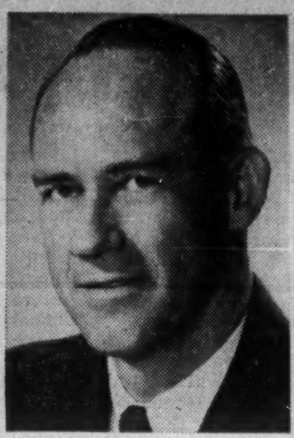


ROSS

WILLISTON

GUNDERSON

FOUKS



MEARNS

These Men Now Run B.C. Electric

All but one of the new board of directors named to **B. C. Electric Co.** in the provincial take-over have previously had close association with the Bennett administration. The ap- exception is W. C. Mearns, a B. C. Electric "inside" director, who is retained.

Two have held ministerial office under Bennett: Lands and Forests Minister R. G. Williston and E. M. Gunderson, former finance minister.

All but one have had some business experience, some in law, others in accountancy. The exception in this case is Dr. G. M. Shrum, retired dean of physics University of British Columbia, who is chairman of the B.C. Energy Board.

Here is the record of the new BCE directors:

Dr. Gordon Merritt Shrum, 64, retired University of British Columbia physics dean, new chairman of **B.C. Electric Co,.** is a strong supporter of export of power.

He is chairman of B. C. Energy Board, which advised the Bennett government that public development of Peace River power would be cheaper than private development.

Born at Smithville, Ont., Shrum studied physics at the University of Toronto, receiving his doctorate in 1923. He won fellowships from the Canadian Research Council.

He was research physicist with Corning Glass Works in New York until he joined the faculty of UBC in 1925.

In 1935 he became a Fellow of the Royal Society of Canada in chemistry and physics and two years later he was named head of the UBC physics department. In 1956 he became dean of graduate studies, retired last June.

He was a member of the National Research Council, of the Pacific Science Council and directed the B. C. Research Council. In 1958 he was chairman of the B. C. Royal Commission on the B. C. Power Commission.

* * *

Frank Mackenzie Ross, 70, B. C.'s former lieutenant-governor, is one of Canada's prominent industrialists.

Glasgow-born Ross began his business career in New Brunswick after World War I with the **Saint John Drydock & Shipbuilding Co.** In six months he was general manager, a few months later he was owner.

Today he is chairman of the board of: **Western Bridge & Steel Fabricators Ltd.,** Vancouver; **Canadian Dredge & Dock Co.,** Toronto; **International Paints (Canada) Ltd.,** Montreal; **McCord Steel Sites Ltd.,** Montreal; **Mutual Funds Management Corp., Lafarge Cement of North America Ltd., Deeks - McBride Ltd.,** and **Rockcrete Ready Mix Ltd.,** all of Vancouver.

He is also president of five Vancouver firms: **West Coast Shipbuilders Ltd.; Red Barge Lines Ltd., T. C. Gorman Construction Co., Pacific Nickle Mines Ltd.,** and **Vancouver Iron & Engineering Works Ltd.**

His directorships include: **Commerce - Imperial Bank, RCA Victor, North American Elevators Ltd., Diamond "S" Cattle Co., Inter City Papers Ltd., Wilkinson - McClean Ltd., Westcoast Transmission Co., Canada Trust Co., The Huron and Erie Mortgage Co., Canada Wire and Cable Co., Bralorne-Pioneer Mines Ltd., Western Copper Mines Ltd.,** and **B. C. Turf and Country Club Ltd.**

During World War II he was director-general of naval armaments and equipment production in the Munitions and Supply Department.

Lieutenant-governor from 1955 to 1960, Ross occupied the office regally.

In 1945 he married Mrs. Phyllis Gregory Turner, then wartime fats and oils administrator in Ottawa. They live on a 225-acre farm at Cloverdale, B. C., where Ross raises thoroughbred Welsh ponies.

* * *

Arthur Fouks, 41, Vancouver lawyer, was B. C. government counsel before the recent federal-royal commission that studied proposed routes for the Great Slave Railway. The B. C.-backed route was chosen.

Born in Vancouver, he earned his BA (1941) and his LL.B. (1949) at the University of B. C.

Formerly president of **Alberta Meat Ltd.,** which was sold in 1958 to **Swift Canadian Ltd.,** Fouks is president of **Puritan Canners Ltd.**

Senior partner in the law firm **Fouks and Mackoff,** he is president of B. C. Heart Foundation and director of the National Heart Foundation, of Elizabeth Fry Society of B. C. and of B. C. Turf and Country Club. He owns three race horses.

Married, Fouks has two daughters.

* * *

William Clark Mearns, 52, the only B. C. Electric director retained when the company moved from private to public control, has been vice-president in charge of Vancouver Island operations since 1958.

Born in Victoria, he joined the company's permanent staff in 1934, after receiving a bachelor's degree in electrical engineering at Stanford.

Posts he has held include assistant sales manager, operations manager in Victoria and acting director of research and administration controls in Vancouver.

In 1954 he took time off to enroll in the advanced management program at Harvard's graduate school of business.

Mearns was a lieutenant in the reserve army during the last war.

He is director of Victoria Rotary, YMCA, Community Chest and the Pacific Northwest Trade Association; past director, Chamber of Commerce, crippled children's solarium; past president, Natural Resources Conference. He belongs to three golf clubs.

Mearns and his wife, Loula Cary, have a son and three daughters.

* * *

B. C. Lands and Forests Minister Ray Gillis Williston has been handling negotiations with the federal government on Columbia river development.

Born in Victoria, Williston, 47, was a school inspector and former teacher at Prince George before being elected to the legislature in 1953. Next year he became education minister and in 1956 lands and forests minister, replacing Robert E. Sommers, who resigned after the forests scandal of that year.

Since 1957 Williston has been a director of the Pacific Great Eastern Railroad. For two years he has been a member of the British Columbia Power Commission, resigning last week.

Born in New Brunswick, educated in B. C., Williston was an RCAF pilot in the last war. He is a member of the Prince George Board of Trade.

* * *

Einar Maynard Gunderson, 62, was finance minister in the Bennett government from 1952 to 1954.

He is head of the provincially-owned Pacific Great Eastern Railroad and a director of **Peace River Power Development Co.** and **Wenner-Gren B. C. Development Co.**

Born in North Dakota and trained as an accountant at the University of Saskatchewan, he organized collection of provincial income tax in Alberta in 1932.

Later he moved into private practice in Edmonton as a chartered accountant. In 1945 he joined a Vancouver firm of income tax specialists.

Chosen as Bennett's first finance minister in 1942, Gunderson shortly afterwards won a legislature seat in a by-election. Defeated in the 1953 general election and in a subsequent by-election, he resigned his portfolio.

He was named executive vice-president of PGE in 1956 when the railroad was pushing its line north into the Peace River country.

A partner in the Vancouver firm of chartered accountants, **Gunderson, Stokes, Walton and Co.,** he is also director of: **Commerce-Imperial Bank, Marshall Wells (B.C.) Ltd., Multnomah Canadian Fund Ltd., Deeks-McBride Ltd.,** and **Black Ball Ferries Ltd.**

He is governor of the University of British Columbia, director of the Pacific National Exhibition, a member of the B. C. Toll Highways and Bridges Authority, and on the Vancouver Board of Trade.

John Wood Sales Down, Profit Up

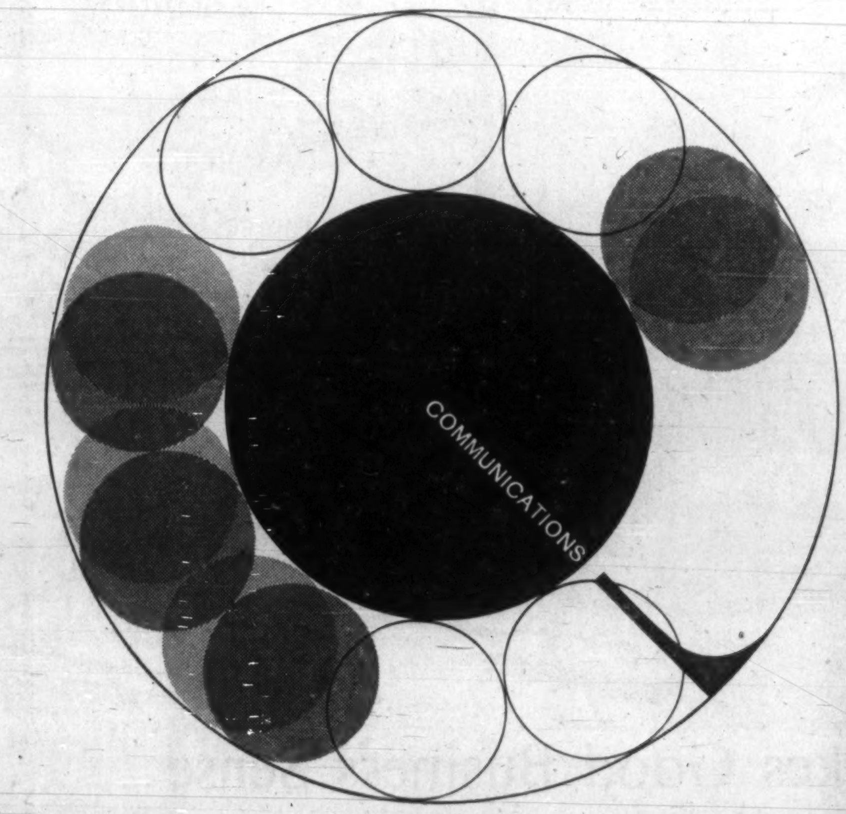
Net profit of **John Wood Industries Ltd.,** Toronto, jumped 46.3% in first six months, 1961, despite a small decline in sales.

Six-month net was $452,000 ($1.70 per common share), vs. $309,000 ($1.09) in first half, 1960.

Net sales totaled $19,605,000, down 2.3% from $20,062,000 last year.

Company earned $508,147 ($1.72 per share) on sales of $39.2 million in full year, 1960.

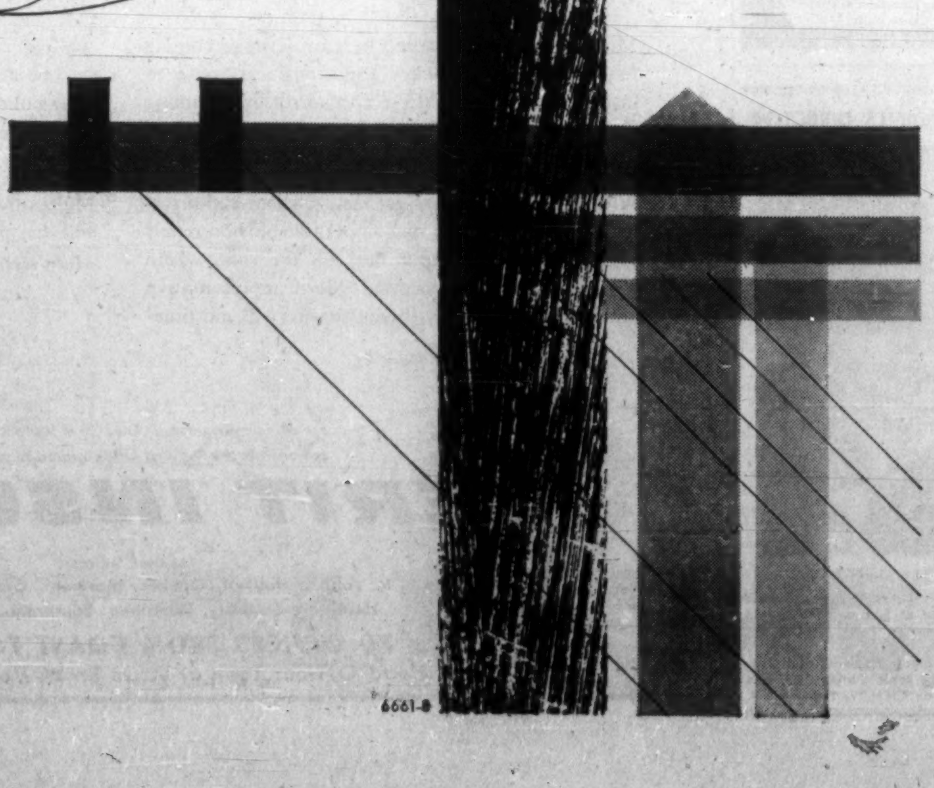
SERVING CANADA THE NORTHERN WAY



COMMUNICATIONS

The aim of Northern Electric Engineers is to continue to design and manufacture the finest in Communication equipment. Northern's research facilities and manufacturing capabilities are unexcelled in this field in Canada. Northern Electric designs, manufactures and installs a large proportion of Canada's telephone communication systems and equipment. It includes the manufacture of electrical wires and cables for communications and power transmission, and the distribution of a complete line of electrical apparatus and supplies. At Northern Electric, product research and development never stops and continuing progress is made in the communication, electrical wire and cable fields.

Northern Electric
COMPANY LIMITED



6661-8

A "Stock Quotation"
updated by TILDEN rent-a-car

The eternal feminine draws us on.—JOHANN GOETHE (1749-1832)

When the eternal problem of "how to get there" crops up at vacation time — phone TILDEN, the CANADIAN name in world-wide car rentals. Whether you need a car or a station wagon (remember, five can ride for the price of one) TILDEN can provide shiny *new* Chevrolets and Pontiacs at a moment's notice!

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PORTABLE
DICTATING MACHINE

DeJUR GRUNDIG Stenorette®
COMPANION

NOW SAVE $72.50 !
NOW AVAILABLE WITH FREE Battery Charger
*For a Limited Time Only

Stenorette Companion is not a scaled-down tape recorder. It's a working tool, specially designed to keep pace with your thinking. Pop it into a briefcase, pack it in a suitcase . . . the Companion, small as a book, light as a camera, travels with you wherever you go.

HERE'S WHY STENORETTE COMPANION IS SO SUPERIOR:

- Fully-transistorized for instant use. No warm-up time needed.
- Uses same tape as Standard Office Stenorette
- Pushbutton operation throughout
- Duplicate microphone controls for all functions
- Lapel microphone for interviewing, research, etc.
- Up to 45 minutes of continuous dictation
- Powered by lifelong, rechargeable battery
- Handsome sturdy carrying case available

COMPATIBLE, TOO!
This is the Standard desk top
DeJUR GRUNDIG
Stenorette®-TD
$224.50*
* with either dictating or transcribing equipment

Fully transistorized. Flick-of-the-thumb microphone control lets you dictate, backspace, review . . . and if you say it wrong, erase as you say it AGAIN right! Error-free dictation with a Stenorette makes it easy for secretaries to do everything right the first time!

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FP-8-19

Clearing Combines Confusion

(CONTINUED FROM P. 1)

price warfare. Price uniformity in an industry doesn't in itself constitute an offense. The test is whether or not the uniform price has come about by freely competitive and independent actions of individual companies.

The CSWA's open price policy would work like this:

- **Each company** would mail its price list to association headquarters in its area as well as to its customers.
- **These lists** would be made available to anyone who wanted them.
- **An individual company** could study the lists, assess its competitive position and decide whether or not to sell at higher or lower prices.

Here's a digest of Canadian Steel Warehouse Association pamphlet:

Price Fixing

Nothing can be done, either directly or indirectly, or by the use of any device, which would lead to an agreement between members of an industry as to the price which they are to charge.

Any agreement, understanding or arrangement, express or implied, formal or informal, unduly affecting the price to be charged by members of an industry for their products, is clearly illegal under Section 32 of the Combines Act.

Publishing Prices

An examination of obligations under the Act might indicate it is in the best interests of an industry for its members to adopt an Open Price Policy and to establish the practice of issuing to the public accurate information as to the prices at which they are prepared to sell.

By this means, both consumers and competitors know the seller's price and a competitor can then decide whether he wishes to sell at the price specified by the seller, or at a higher or lower price.

Members of an industry may adopt a policy that all its members will publish list prices, provided it is clearly understood that the list prices can be changed without notice and that a member is not obligated by any understanding with other suppliers to follow his list price.

It should also be clearly understood that price lists themselves may constitute evidence for prosecution if prices have been arrived at by improper means.

Discrimination — by the Seller

Section 33A provides that no person engaged in business shall discriminate amongst his trade customers who are competing with each other by giving one of them a price concession which is not available to his competitors in respect of sales of like quality and quantity.

It is not an offense under the Act for a seller to meet spot competition from another supplier where, in order to secure the business, he must give a reduced price to meet competition, provided the reduced price was not granted as part of a practice of discriminating.

If, however, a seller accepts business at lower than his regular or normal or published price list on a repetitious basis, it might be assumed that he is discriminating against some competing customers who are unaware that business is being offered at other than the regular or normal or published price list.

In order to avoid the possibility of discrimination, it may be the obligation of the seller to make his prices and discount structure known to his customers in advance of inquiries or orders.

The seller cannot assume that a customer is incapable of buying in quantities which would afford the best price, nor can he assume the customer's uninterested in taking advantage of an offer at the particular time.

This again points to the desirability of an Open Price Policy which, in the absence of subterfuge, avoids the possibility of price discrimination.

Discrimination — by the Buyer

The recipient of a discriminatory price may be equally liable with the seller of an offense against Section 33A where he consciously enters into an agreement that he knows will constitute an offense on the part of the seller.

Trade Associations

A trade association can be a forum for discussion or exchange of statistics, defining of product standards, exchange of credit information, definition of trade terms, co-operation in research and development, restriction of advertising, exchange of technical information on production and distribution methods, tariffs, labor matters.

A trade association may carry on its files current published price lists as issued by its members, and make these available to the enquiring public, the government, the press or any other interested person.

A trade association may record information as to prices which have been charged in the past, provided that such information is not being used for the purpose of reaching an agreement, understanding or arrangement as to the price at which a supplier will sell his merchandise.

General

Nothing may be used as a guise for an agreement which has lessened, or is likely to lessen, competition unduly in respect to prices, quantity or quality of production, or if the agreement has restricted, or is likely to restrict any person from entering into, or expanding, business.

What Henry Said—

Here's what D. H. W. Henry, director of investigation and research under the Combines Investigation Act, had to say recently about open price lists (in an address to Rotary Club of Montreal, July 18/61):

Another common practice (that gives rise to suspicion in the public mind) is the publishing of list prices.

There need, of course, be no secrecy about the price at which a company sells its product. It ordinarily cannot be kept confidential.

It also must be recognized that in the long run, in the absence of collusion, price will be determined by the forces of the market and that, over a long period, the tendency of free competition will be to settle the price at a reasonable uniform level for an identical product.

But this does not fully explain price adjustments and pricing policies among the competitors that take effect on identical days or according to an apparently artificial pattern.

The implication . . . is that there is a tacit or informal agreement or understanding in the industry that results in identical prices and identical fluctuations.

I wish to avoid any suggestion that in my view these practices are in themselves necessarily evidence of collusion or unlawful activity. These situations are, however, kept under constant scrutiny.

There's Still a Quick Profit in Penny Long-Shots

(CONTINUED FROM P. 1)

the equivalent of 13½c and currently is at the equivalent of 10c.

Reef became **United Reef** on the basis of one new share for every four old.

The new shares have traded as high as 54c, currently are around 40c with the company active on oil and gas leases in southwestern Ontario.

The long-shot speculators who take flyers in these nickel stocks may dream of the big moves from pennies to dollars but they're usually well-satisfied by a Reef-type reorganization and revival of activity.

While they wait and hope for more speculative interest to spark a revival of activity by other dormant companies, they're content to try to catch the smaller movements that seem to occur even where there is no readily apparent reason.

When you do the arithmetic, you can see why. Here's an example.

If you buy 5,000 shares of a stock selling at 3c a share, cash outlay is $150 plus $7.50 commission.

Commission on shares selling under 5c is $1.50 per 1,000. If you can sell these shares at 6c each you get back approximately $285 ($300 less $15 commission at $3 per 1,000 and 30c stock transfer tax).

Clear gain, $127.20. Return on a successful gamble of $157.50 is about 80%.

Remember that you can lose the whole $150 if the company should disappear from the board.

It doesn't happen too often, but there is always the possibility of delisting for infractions of stock exchange rules.

Also, you could get locked into a stock for some time, have your $150 tied up for months, and even years while you wait for a chance to sell out.

New Weekly Lists Used Equipment

New weekly Canadian publication, the "Weekly Equipment Finder" is intended to speed up movement of used equipment inventory in the construction industry.

It's composed almost entirely of classified ads for used equipment and is circulated on a concentrated regional basis. First issues will be Ontario editions only.

Publisher is Ross Cruickshank, Toronto.

CANADIAN APPRAISAL COMPANY, LTD.
Serving Canadian Business since 1900

ANNOUNCEMENT

CTV APPOINTS DIRECTOR

E. FINLAY MacDONALD

President Spence Caldwell has announced the appointment of E. Finlay MacDonald as a Director of CTV Television Network Ltd.

Mr. MacDonald is President and General Manager of Radio Station CJCH and Television Station CJCH-TV, Halifax.

AN OUTSTANDING INDUSTRIAL AREA
35 MINUTES FROM DOWNTOWN TORONTO

. . . We will build you a new plant without a penny of capital outlay
. . . 40% of Canada's consumers are on your doorstep when you locate in Brampton

★ Leases at 50c per square foot
★ 10 minutes from Malton International Airport
★ Local airfield ½ mile from site
★ 5 minutes from superhighway #401
★ Abundance of skilled and unskilled male and female help at rates much lower than Metropolitan Toronto
★ Room to grow. We will provide ample space to expand, unhampered by big city crowding and congestion
★ Natural gas available
★ On C.N.R. main line—sidings available
★ We are building low cost housing for workers:
Apartments: 2 bedroom—$80.50 monthly rental
3 bedroom—$87.50 monthly rental
Houses for sale: from $13,290 with $690 down
★ Spacious executive homes available from $16,000

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Change!

Are your storage facilities modern and flexible for maximum profit in these changing times?

Just as a chick finds his shell inadequate to cope with his growth, old fashioned storage methods can be too confining for business changes. When you need *more* storage space, or when inventory adjustment must be made . . . SPEEDRACK adjusts to your needs.

Imagine one adjustable rack system that adapts itself to infinite variations. Visualize free standing storage racks from floor to ceiling, erected or changed quickly by unskilled labor! Only SPEEDRACK—the proven and *perfected* boltless, adjustable steel storage rack—offers this adaptability.

The secret of SPEEDRACK's unmatched strength and versatility is an exclusive, patented, self-locking connector, adjustable on 2" centers, that distributes weight load on four separate points. *No other rack has it!* Available in selective, cantilever, "drive-in" and others according to your requirements.

There have been thousands of SPEEDRACK installations. May we show you pictures of installations in businesses like yours?

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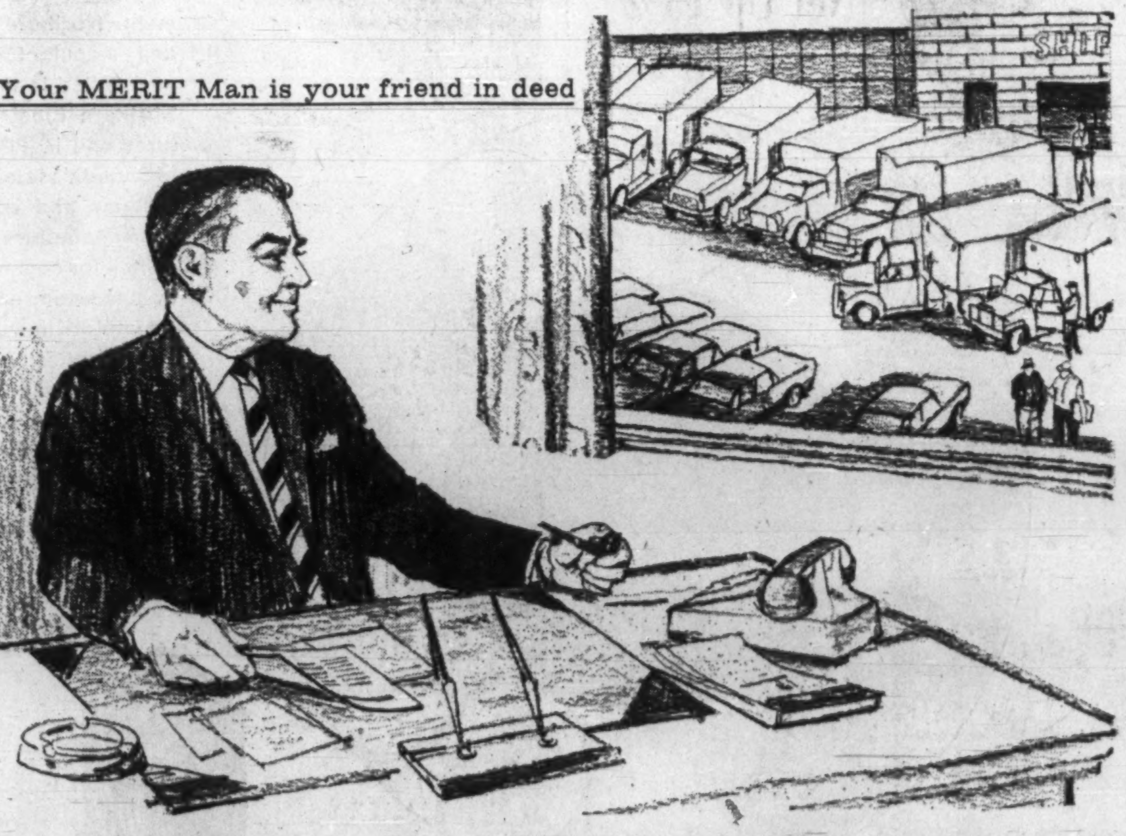
Your MERIT Man is your friend in deed



It makes Good Business Sense . . .

More and more Canadian fleet owners are coming to realize that it makes good business sense to insure with Merit. Merit specializes in handling fleet accounts and now writes more auto insurance than any other *Canadian-owned* company.

With Merit you always get fast, efficient claim service because there are no competitive bids on repair work. Merit keeps your fleet on the road where you need it. Your salaried Merit representative offers direct, company-to-you service with no time-wasting red tape. What's more, your Merit Man may be able to save you money on your fleet insurance policy. He will arrange for you to pay premiums in the manner best suited to your requirements.

When did you last review your fleet policy coverages? Make sure you are *fully* protected! Your Merit Man will be pleased to provide you with details of Merit's complete coverage.

Merit Insurance Company is one of the largest insurers of leased vehicles in Canada.

For all your Auto and/or Truck Fleet Insurance needs, call or write the Regional Office nearest to you —

MERIT INSURANCE COMPANY

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St. John's, Halifax, Quebec, Montreal, Ottawa, Toronto, Hamilton, Sudbury, Winnipeg, Edmonton, Vancouver.

70 OFFICES FROM COAST TO COAST
Head Office: Town of Mount Royal, Montreal 16, P.Q.

There's Little Chance to Escape Tax

(CONTINUED FROM P. 3)

But our politicians have seen to it that we can't make use of modern accounting and computing tools.

How big is this new tax-collecting load in Ontario?

It's a formidable task for the sales tax branch, and for businesses. So far, no less than 26 vendor cards—detailing the requirements of different classes of business—are being issued, with more to follow later. This is separate from the issue of permits, purchase exemption certificates, letters of explanation, general instructions.

Are there that many problems?

Hundreds of them, from major to minor ones. The bulk, however, involve complex and large-scale business operations. More problems are expected to crop up.

Do most of the problems centre around exemptions?

Yes. Take clothing, for example. All clothing and footwear are taxable, except for children.

The Ontario regulations make provision, in exemptions for children, for the new Canada Standard size terminology. Top size is 14X.

The exemption applies whether the article is purchased by the child or an adult, and it applies even if the article is actually worn by an adult.

No exception is made for very large children.

Exemption does not apply to adult styles regardless of the size or age of the purchaser.

Age of the child has no relevance whatsoever for exemption.

Children's footwear applies to commercial trade size designation 6.

Retailers expect a lot of trouble here—the mother of a small child with big feet, or vice versa, won't be happy.

Why are ice cream sodas exempt and sundaes taxable?

One of the many cases where there'll be an adjustment made of a slip-up in definition—to help save the sanity of soda fountain attendants, and possibly collect more taxes.

Seems like a small thing to worry about?

It can be a big thing to many businesses which can't afford to slip up on their tax collecting roles, for fear of interest charges, penalties, fines, and in extreme cases, possibly imprisonment.

What kinds of eating places must collect taxes for meals worth more than $1.50?

There aren't many exceptions. Even airlines must pay on meals served gratuitously, either prepared by themselves, or for them by a catering firm, as long as the meals are prepared or purchased in the province, regardless of where they are served.

Do private clubs pay?

Yes.

What about lodges, boarding houses?

Wherever lodging and meals are provided for a single charge, the meals are taxable, unless the room and board per person is less than $45 a week.

If a firm gives free meals to employees?

Not taxable.

What about manufacturers? Surely all of them don't have to register as vendors?

They do, every last one of them. Manufacturers, fabricators and processors of tangible personal property, including producers of electricity, must register and obtain a permit.

Why?

Taxmen say it's necessary to facilitate the operation of exemption from tax of materials purchased for resale, consumables and industrial machinery.

In addition, virtually all manufacturers will find they owe some tax each month through (1) sales made to employees or officials, or to non-registered purchasers, such as governments or contractors; (2) sales made to other manufacturers or business firms for use by the purchasers for taxable purposes, or (3) purchases of taxable items from outside the province.

What about general service industries?

So long as they render only services, they are not vendors. If they sell tangible personal property in the ordinary course of business, they become vendors and must register.

These questions could go on almost endlessly. What is the businessman to do about the hundreds of rulings and definitions?

He'll have to spend the required hours and days to bone up. The civil servants charged with administering sales tax Acts aren't fooling. Certainly they aren't in Ontario.

You mean they're going to get tough?

Yes, but they say they want to be fair, too, as long as they get their hands on every cent of the tax coming to the province under the Act.

How will the tax branch help businessmen?

The branch intends to see that every vendor in the province gets a visit from a tax auditor or representative every 3-5 months.

They expect to find substantial misapplication of the tax. Much of this will involve unintentional errors. Virtually every firm audited in the first year, at least, will owe additional tax, they think. Taxmen say the province will recover $5 to $10 for every dollar spent on audit. They say its the most "productive" of all government expenditures.

Then the businessman ends up with interest charges, and other penalties?

He does. Tax assessors can hit hard. In Quebec, a restaurant operator had to pay up $4,600 because he had an inadequate system. Ontario, however, wants to get to the vendors quickly, so that the penalties won't accumulate.

What about government departments buying? How does the businessman always know who to collect from?

If in doubt, say taxmen, collect the tax, and let the purchaser worry about his rebate.

Is every vendor in Ontario required to have a permit?

Yes, by Sept. 1. If he doesn't, a penalty may be imposed.

When must he make returns on taxes collected?

By the 23rd of the month following the sales. Otherwise, penalties.

What are these penalties?

Quite a number of them, plus wide powers to the Comptroller to even put you out of business, and to send you to prison for up to two years.

If you fail to deliver a return as and when required by the Act, you're liable to a fine of $25 a day during which the default continues.

Every vendor who fails to deliver a return as and when required shall pay a penalty of an amount equal to 5% of the tax that was collected by him.

For failing to complete information required in the return, the vendor is liable to a penalty of 1% of the tax collectable, but such penalty shall not in any case be less than $20 and more than $100.

For false statements, the penalties are really stiff—fine of $25 and not more than $10,000 plus, in appropriate cases, an amount of not more than double the amount of the tax, or to imprisonment for a term of not more than two years.

Interest is charged at 6% from the day the amount should have been paid, and if not paid within thirty days of assessment, interest goes to 9% a year.

Will all the penalties be rigidly enforced in Ontario?

Not immediately. Not until such time as a representative of the tax branch has called on the accused vendor, or before the vendor has had a chance to contact the district tax administrator.

ANNOUNCEMENT

HELENE CURTIS APPOINTMENT

MISS L. DORION

The board of directors of Helene Curtis (Canada) Limited, are pleased to announce the appointment of Miss L. Dorion as general accounting manager and assistant treasurer of the company. Born and educated in Montreal, Miss Dorion has been with Helene Curtis for the past 15 years. Her previous positions include that of chief accountant as well as office manager, a post she still holds in addition to her new duties.

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ANNOUNCEMENT

RENÉ T. LECLERC INCORPORÉE

PIERRE DUHAMEL

Mr. Aristide Cousineau, President, announces the recent election of Pierre Duhamel as Director of René T. Leclerc Incorporée, Investment Dealers, and of René T. Leclerc Co., Members of Montreal Stock Exchange. Mr. Duhamel is Manager of the Trois-Rivières branch of the firm.

Russell Ind. Net Up 13%

With all four subsidiaries operating profitably, **Russell Industries Ltd.** increased its net profit for six months to June 30/61 to $405,033 (53c per share), 13% above $358,061 (47c) a year ago.

Most of the profits in the latest period came from **Canadian Acme Screw & Gear Ltd.** and **Canada Cycle & Motor Co. Ltd.**, President M. P. Jolley reports.

Company expects results over the rest of 1961 will be better than last year (net for full year 1960 was $432,453 or 56c a share).

However, President Jolley points out that accurate forecasting of results is not yet possible as requirements of major customers for the fourth quarter have not at present been firmly established.

Automotive and agricultural implement industries served by Canadian Acme have operated at lower levels than for some time, Jolley says. A more efficient operation largely offset these disadvantages.

Canada Cycle & Motor increased its volume over last year despite stiff competition from importers.

John Bertram & Sons Co. showed a small profit as a result of export contracts for the U.S. defence program. Heavy machinery business remains difficult in the face of import competition and lower capital expenditures by Canadian industry.

Substantial gains have been made by **York Gears Ltd.**, the president says. This firm has new contracts to supply equipment for aircraft engines and helicopters.

Manitoba Sugar Will Redeem Preferred Stock

All 15,000 authorized and outstanding 6%, $100 par preferred shares of **Manitoba Sugar Co. Ltd.** are being called for redemption on Sept. 1/61.

Redemption price is $105, plus accrued dividends of $2.50 a share.

Recent market price of the stock: $105.

Company is offering to buy any of the preferred shares tendered for purchase before Sept. 1 at $105, but without payment of accrued dividends.

Manitoba Sugar is a subsidiary of **British Columbia Sugar Refining Co.** which owns 99.8% of outstanding 799,000 npv common shares.

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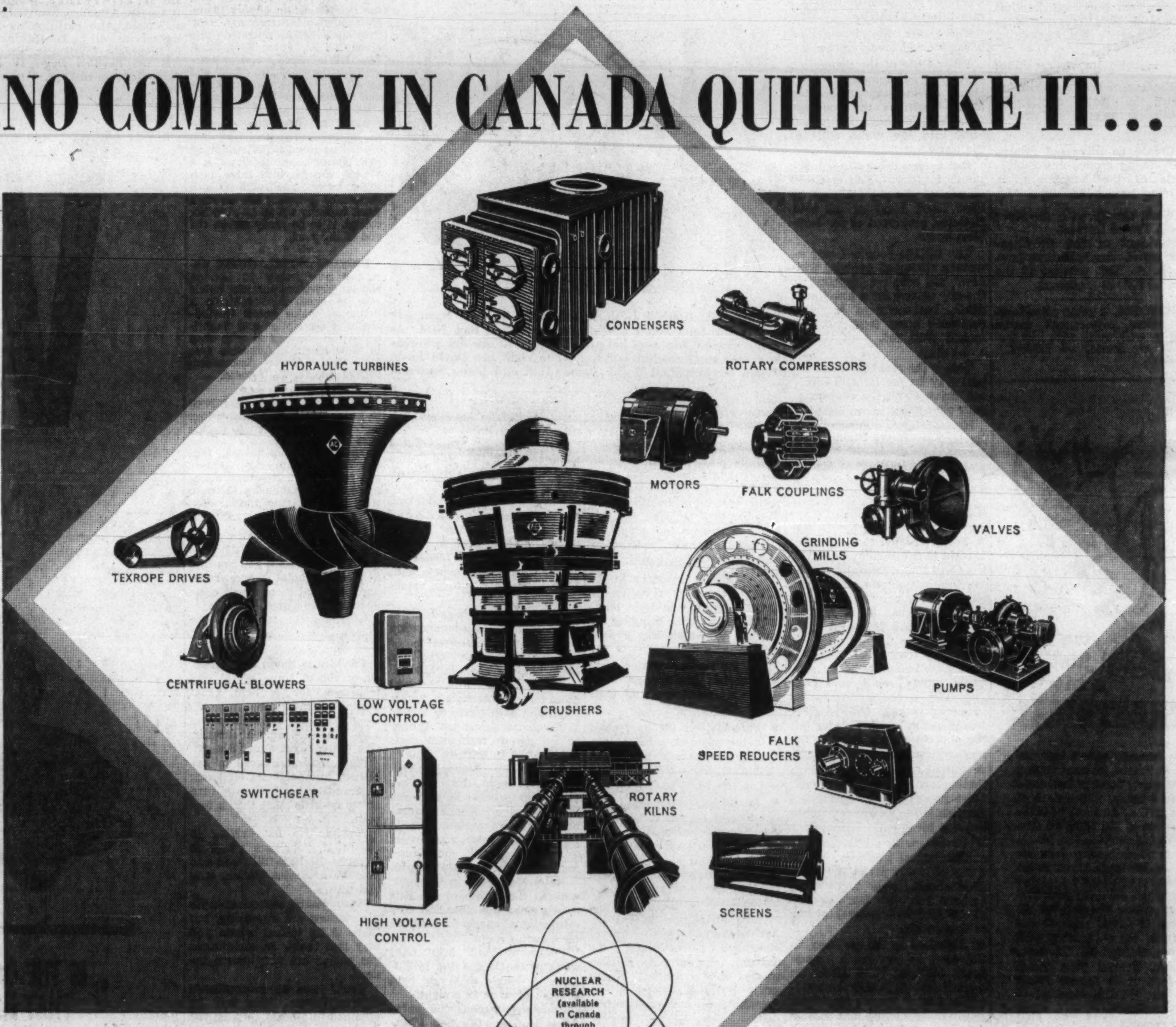

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POST TRAVEL BUREAU

Where to go—how to go—where to stay

Even Clergy Get Benefit From Tourists

Special Correspondence

HALIFAX — Who is in the tourist business?

Nearly everyone is, according to the list published in the first bulletin of the newly organized Tourist Association of Nova Scotia.

Not only do resort and restaurant operators and retailers benefit from the dollars spent by visitors in Nova Scotia — or any other tourist area — but so do accountants, barbers, hairdressers, farmers, lawyers, physicians, dentists and others.

Even the clergy — or perhaps more correctly the various churches — benefit from the annual visitor traffic, the association explains.

The 700 delegates who attended the 1961 Halifax conference of the Canadian Federation of Mayors and Municipalities left over $100,000 "jangling in Bluenose pockets", the association says.

The association was set up to:

- **Promote a better tourist industry** in Nova Scotia by mobilizing the efforts of private enterprise.
- **Create an increased awareness** among groups and individuals of the benefits of a thriving tourist industry.
- **Work closely** with the Nova Scotia Travel Bureau.

President of the province-wide association is Halifax lawyer L. A. Kitz, partner in the firm of **Kitz & Matheson.**

ETHIOPIA is going after tourists. New government tourist agency will work with the national air carrier — **Ethiopian Airlines.**

A TRAVELER'S NOTEBOOK

Best Way to See Spain: Drive at Your Own Pace

In Spain you are seldom long out of sight of the mountains. They rise before you, arid, gaunt and austere; blue on the far horizon, they seem to summon you to a new and magic world.

—W. Somerset Maugham

By **BEATRICE RIDDELL**

I saw all this and much more as I drove south from Madrid.

There are the great central plains of big farms which add special Spanish colors to the scene — bleached yellow, El Greco green and muted brown

There are the white, walled towns built by the Moors and scattered about the countryside wherever there are wells in this rain-thirsty country.

There are the iron-grilled balconies and lovely gardens.

I saw little of the depressing poverty you sometimes hear about. Living standard is often low — witness the country-folk riding donkeys, the houses built into the white cliffs of the south.

But as you drive through the smallest villages, you catch an occasional glimpse (through an open front door) of the cool, flowered courtyard of the humblest home.

The village people I saw — women sitting at upstairs windows, old men congregating in the city square for a pre-dinner drink, battalions of bicyclists returning home from work — looked well fed, well clothed and happy.

This is the real Spain and the best way to see it is to hire a car, drive about the country at your own pace.

Here are some notes on route, driving, accommodation, prices, etc. from a recent Spanish motor tour, starting at Madrid and finishing at Barcelona:

The Route

- **Toledo,** 35 mi. south-west of Madrid is the ancient capital of the Goth kings, headquarters of the Inquisition, and home of El Greco. In magnificent setting by the Tagus, it is one of Europe's most beautiful city-museums.

But the tragedy of Toledo is that it is being spoilt by souvenir stands, small boys begging and street photographers snapping at you. No visitor to Spain should miss Toledo, but try and close your mind to the unattractive modern additions.

- **Cordoba,** capital of Moorish Spain, is still a delightful city. Most important sightseeing attraction is the enormous, eighth century Mosque.
- **Seville,** with all its art and archaeological treasures, is also a city of lovely parks and trees, good shops, lively night spots (where you can see flamenco at its Andalusian best) plenty of fine hotels.
- **Algeciras** is the gateway to Gibraltar — you get a magnificent view of "The Rock' on a clear day. It is also the western end of a famous stretch of southern beachland and seaside resorts.
- **Torremolinos,** one of the best-known resorts in the area, is a village of farmers and fishermen that has been invaded by foreign villa owners and, more recently, by resort tourists.

It is crowded now, but there are lovely beaches, good restaurants and shops.

- **From Malaga,** big south coast port, to Granada, you take one of the most beautiful mountain drives in the world. The highway is good — for all its ups and downs and hairpin turns. Stop at lookout points for breathtaking scenery — carefully cultivated valleys in the foreground backed by row upon row of mountain peaks as far as you can see.
- **Granada** is well worth a stop of several days. It's famous Alhambra (Moorish monument on a lovely wooded hill) and Generalife (playground of Moorish kings) are surely among the most peaceful spots in the world.

However foot-sore you may be from touring palaces and cathedrals, don't miss the Arab palace. Its massive architecture, magnificent tiles are seen to full advantage, without the usual collection of rooms crammed with royal relics and furniture. The Court of the Lions (magnificent figures around a pool) is one of the most spectacular courtyards in the world.

Gypsies live in caves in the hills surrounding Granada. Every evening the tour buses crawl up the hills, bringing the tourists to watch the gypsies dance.

But too much attention from the tourists has sapped these performances of much of their sponteniety.

- **Valencia,** on the east coast is in the heart of a lush plain. The whole area is a rich garden of flowers, olive groves, orange and lemon trees.
- **Barcelona,** commercial and intellectual capital of Spain, is also the most cosmopolitan port on the Mediterranean. There are marvellous shops and restaurants. Here you will get some of the best seafood in a seafood-mad country.

Have lunch one day at the **Ast** restaurant on the top of Montjuich (overlooking the harbor). Specialty is chicken roasted on a spit ("ast" means spit). But the seafood is also excellent. Sit out on the terrace.

Once you've dined at the **Ritz Hotel** (with one of the best restaurants in Spain) try the **Ecuestre,** a former gentleman's club with pleasant atmosphere, excellent food and terrace.

Barcelona dates back to the second century B.C. and is rich in historic buildings. But don't miss the strange buildings designed by the eccentric Antonio Gaudi who flourished at the turn of the present century.

His fairy-tale buildings guarding the entrance to a children's park have a "runny icing" look about them. Archades have crazily slanting pillars.

Most famous of the Gaudi buildings is the Church of Sagrada Familia, begun in 1881 and still not nearly finished. It's basic form is Gothic, but it has all the extravagant trappings typical of this exterior designer.

Make the journey to the top of Tibidabo, high hill overlooking the city. Another day, wander through the Pueblo Espanol on the slopes of Montjuich. It is an entire village made up of life-sized reproductions of houses, gates, fountains and squares chosen from every province of Spain.

Accommodation

Deluxe class, city hotels compare with the finest in Europe. But in summer ask for air conditioning and if you're staying at a centre-city hotel, try for a room at the back. European cars, trucks and scooters make a terrible din on cobble-stone streets.

In most seasons and in most cities you can find a suitable room without advance reservations. To be safe, stop not later than 5 p.m.

If special events are under way (Holy Week festivities in Seville, for instance, or the summer music festival in Granada) you may have to book months in advance.

Avoid pensions. One that I sampled recently, and rated first class by the government, was appalling.

But you can always count on government-run paradores (converted castles or monasteries) and albergues (inns). Paradores have been modernized for comfort to compete with first class hotels, but still retain plenty of charm.

Albergues have been built in areas short on accommodation suitable for foreign tourists.

Hotels in the "provinces" are often cheaper than in Madrid.

At Barcelona's Ritz, the best hotel for miles around, a double room and bath comes as low as $10 including breakfast. Dinner at its superb restaurant costs about $3.50 to $6 with wine.

At Seville's **Alphonso XIII,** featuring huge bedrooms (bathrooms almost as big) and a lobby full of Moorish treasures that any museum would be proud to display, you can get a room, breakfast and dinner for little more than $14 for two.

Hotel Metropole in Valencia, without the charm of the Ritz or Alphonso, but clean and very comfortable charges about $5 for a double room.

Paradores and inns offer some of the best value in Europe. A double room and bath comes as low as $3 a night.

Showplace among the paradores is Granada's **San Francisco.** Once a convent, it is set in magnificent gardens right in the Alhambra.

At festival time, the courtyard is crowded with Rolls-Royces and Cadillacs (in spite of the low rates). In the evening, the big dining terrace (overlooking the Generlife gardens) is the scene of many an elegant dinner party.

Second choice in Granada is the **Alhambra Palace** (near, but not in, the Alhambra). This is a deluxe hotel ($12 and up for two) but lacks the paradore's setting and charm.

The two major resort areas of Spain are the Costa Brava, near Barcelona and the Costa de Sol along the south coast.

All sorts of resort hotels are being developed or expanded in both areas. Two of the best are **Hostal de la Gavina** at S'Agaro about 60 mi. from Barcelona and **Reina Cristana** at Algeciras. Both are superior in service, setting and food.

There are other excellent resort hotels, some of them very inexpensive. But many are second class by international standards. Check carefully before you settle in.

Another newer, and still very inexpensive, resort area is in the south east between Alicante and Valencia. Here you can find a pleasant hotel where room and bath and three meals costs as little as $6 a day.

Driving

Car hire in Spain isn't cheap. On a recent tour, rental and insurance for a Seat (Fiat assembled in Spain) came to about $125 for eight days and 1,500 km. (932 mi.) of driving. Gas (extra) cost about 60c gal.

Main roads are good to excellent, but don't set off along a secondary road. It may turn out to be little more than a foot path.

Another tip for driving in Spain: If your gas gauge is down to the half-full mark and you see a service station, stop and fill up.

New, North American-style gas stations are appearing, but there is no telling where you may find them. In some areas gas pumps are very scarce indeed.

You'll need an international driving license. This may be obtained in Madrid through the Royal Automobile Club of Spain. You must take your passport, local driving license and two passport-size photos along.

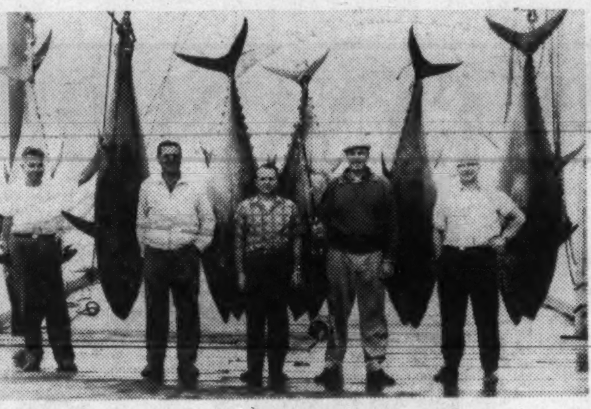
But this can take the best part of two days, and there are better things to do in Madrid (**FP**, Aug. 12). Better to get the document in Canada. Provincial automobile associations can help you.

Lunch Stops

Plan each day's route with lunch in mind. In cities or resort areas there is no problem finding a good restaurant. But in small towns and villages you may well have trouble.

Inns and paradores are ideal (road maps indicate their location). Or if you see a tour bus parked in front of a restaurant between 1 p.m. and 3 p.m. you can count this is a good bet.

If you stop at a small village cafe, order an omelette or something you know is cooked. Otherwise you may get a shock. A ham sandwich, for instance may consist of a piece of next-to-raw pork between two thick hunks of bread. (This will not happen in big, tourist-conscious hotels or restaurants.



THESE ST. JOHN'S businessmen show trophies from one day in the tuna boom now on at Conception Bay, Nfld. As many as eight big ones have been landed in one day whereas last year total catch was 11. Left to right are David Lush, Arden Haynes, Paul Walsh, James Duff and James Spurrell.

Cars Pour Into Nova Scotia, Most of Them Are Canadian

Special Correspondence

HALIFAX — Nova Scotia expects a record tourist year in 1961 according to Trade and Industry Minister Hon. E. A. Manson.

Traffic counts at the province's five major entry points show 106,254 vehicles registered outside Nova Scotia entered the province in June and July compared with 90,003 in the same two months of 1960—a rise of 18%.

Approximately three-quarters of the traffic were Canadian cars.

In Cape Breton Island, however, over-all figures were down slightly. While non-resident traffic entering the island via Port Hastings was up from 12,915 in 1960 to 15,094 so far this year, the out-of-province vehicle increase did not compensate for lower number of Nova Scotia cars crossing to Cape Breton—19,837 in 1961 vs. 22,568 in June and July '60.

"Nova Scotians are not taking advantage of the vacation opportunities in Cape Breton Island," Manson says.

Principal attractions there are the now completely paved Cabot Trail and the Highlands National Park.

The Alexander Graham Bell Museum and the Fortress of Louisbourg are other tourist favourites.

—Travel Tips—

MARIPOSA is the name chosen for a folk festival in Orillia, Ont., Aug. 18 and 19. This is the fictional name used by Stephen Leacock for his native Orillia. Festival will feature folk singing, children's concert, films and evening concert.

* * *

TCA IS NOW operating into the new Canadian airport 13 mi. west of Sault Ste. Marie, Ont. Previously TCA operated into Kincheloe Air Force Base, Sault Ste. Marie, Mich., and passengers for the Canadian "Soo" had to travel by bonded limousine and the Soo Ferry.

* * *

PINK BEACH cottage colony on Bermuda's south shore has opened its new $85,000 swimming pool. Other recent addition is a $16,000 cottage with three bed-sitting rooms (each with its own verandah) bringing the colony's guest capacity up to 49. Another cottage is to be ready before the end of the year.

* * *

BRITISH HOTEL GUIDE describes new hotels in London and the provinces plus new hotels soon to open. Also contains a listing of major hotels (including brief description and classification) in the capital with map to show location. Available free from British Travel Association, 90 Adelaide St. W., Toronto.

* * *

HIGHWAY IMPROVEMENTS in Europe, including road, bridge and garage construction in the past year are listed in a bulletin compiled by **Auto-Europe, Inc.,** international auto sales, leasing and rental firm. Describes major projects undertaken by 15 countries to speed auto traffic. Also includes information on recent auto ferry services.

* * *

ROME'S BETTOJA HOTEL chain and three other European hotels have agreed to honor **American Express** credit cards, according to a recent **Amex** announcement. The Bettoja hotels are **Mediterraneo, Massimo D'Azeglio, Atlantico, San Giorgio** and **Nord.** Also participating in the service will be the **Quirinale** in Rome, the **Cipriani** in Venice and the **Pavillon Henri IV** in Saint-Germain-en-Laye, near Paris.

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What Portable Pension Bill Means

Analysis for Employers Of Ontario's New Scheme

By H. R. SUYDAM

All Ontario employers of 15 or more persons will be required to provide a minimum standard pension plan by Jan. 1/65, if the province's proposed portable pensions act released this week goes through on schedule.

Draft bill — the Pension Benefits Act — makes membership in such plans mandatory for all workers 30 years old and over.

Portability features of the bill call for complete vesting of employer contributions (i.e., worker acquires a contractual claim to benefits arising from his employer's contribution) by age 34.

Cash withdrawals — the worker's right to take out his own contributions to the pension plan — also cease by age 34. Contributions made prior to this date, and any following, are "locked in" 100%.

Bill is being widely distributed among employers, employee groups, unions, pension administrators, etc., federal and other provincial government circles for comment and suggestions.

It follows recommendations of the Ontario committee on portable pensions early this year (**FP**, Feb. 18), except that it provides specific means of covering employees in firms where a pension plan has not been set up.

A regulatory body — Ontario Pension Commission — would also be established.

A privately financed, central pension agency will be incorporated by a federal act to look after the pension benefit credits of a worker while he switches jobs.

Here are the highlights of the Ontario bill:

Pensions in respect of employment after 1964 must be paid not later than age 70.

Minimum standards applying to the four types of pension plans now in vogue call for a pension of about $2 per month for each year of service, calculated as follows.

- **Unit benefit plan,** ½% of monthly earnings for each year of covered employment, applied to salary or wage earned up to $400 per month.
- **For a money-purchase plan,** pension derived from total contribution of 4% of first $4,800 of yearly earnings.
- **For a flat rate plan** related to each year of covered employment, $2 per month for each year.
- **For a flat rate plan not related** to each year of service, $40 per month.

If an employee dies before his pension benefits start, minimum amount payable to his estate is his own contributions to the plan plus interest.

All employers with existing pension plans (including those with less than 15 employees), must file details of their plans with the Commission by March 31/63.

Firms employing fewer than 15 are not required to set up pension plans.

However, if they do, the plans must meet the bill's standards of solvency, but not the rules relating to vesting and cash withdrawal.

Vesting provisions are graduated in 20% steps from age 30 to 34.

No vesting is required before an employee reaches 30. But 100% vesting is compulsory for all employees aged 34 who have completed a waiting period of at least two years, and for those over 34 who have waited for one year.

Cash withdrawal provisions are parallel to the vesting rules.

An employee leaving his job at age 34 is not entitled to any refund to his own contributions.

At 33 he could take 20% of his contribution, 40% at 32, and if under 30 he could be given a 100% refund.

Solvency regulations are not set out in the bill. They will be drawn up by the commission.

Purpose will be to insure adequate funding to provide for payment of all pension benefits required to be paid under terms of the plan.

Employers may maintain two or more pension plans. They may be combined to meet the minimum standards under the act.

Supplementary plans in addition to the one or more registered with the commission are not required to be registered.

However, the bill does not prevent registration of plans providing larger pensions than the minimum set out.

Failure to meet and maintain standards can call down fines up to $10,000 or six months in jail.

Appeals can be made to the Supreme Court of Ontario in cases where the commission refuses to register a plan.

The bill does not stipulate the source of contributions for a registered plan.

It does not say that the employer must provide the minimum.

How the fund is built up is left to employer-employee negotiations, pension consultants say.

Central pension agency is described in a statement released with the bill.

It will include representatives from government, industry and labor.

Function will be to consolidate and invest small pension credits for workers who change jobs in cases where the credits cannot be held in "cold storage" by a plan until his retirement, or transferred from one plan to another.

It would also look after pension credits from firms which had gone out of business.

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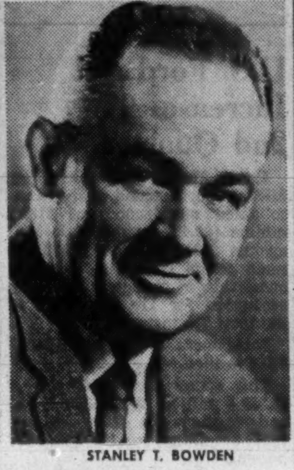
ANNOUNCEMENT

"YOUNGSTOWN" EXTRUSION PRESS DIVISION APPOINTMENTS

FRED KAMENA



STANLEY T. BOWDEN

JOSEPH MEIN

JAMES GRINDLAY

Plans for expansion of The Youngstown Foundry & Machine Company in the fields of Hydraulic Extrusion Presses were announced by Bertram S. Parker, President. In line with this expansion program, Fred Kamena was named Chief Design Engineer, Hydraulic Press Division. Previously in a similar position with Watson-Stillman, he is well known throughout the industry for achievements in the designing and engineering of extrusion presses. Also named were Stanley T. Bowden and Joseph Mein to direct the division's sales throughout the world. Mr. Bowden will be located in the home office at Youngstown, Ohio. He has had many years of hydraulic press experience both in engineering and sales capacities and was recently Sales Manager of Watson-Stillman. Mr. Mein was previously in charge of hydraulic press sales with Canadian Vickers Ltd. He will be located in Montreal, Canada. James Grindlay has been appointed Supervisor of Installation and Service for the Hydraulic Press Division. Formerly with Watson-Stillman, he has had many years experience in this field, having installed extrusion presses in many overseas countries as well as in North America.

How Businessmen View Portable Pension Bill

Initial reaction to Ontario's draft portable pension bill has been generally favorable.

Pension circles agree, however, that it is a working document — considerable revision and tightening up must be expected, they say.

W. Leo Knowlton, vice-president and general manager **Canada Permanent Trust Co.,** sees the bill as "dramatically altering" the age-old concept of pensions as a reward for long and faithful service.

"A new era in pensions begins with this proposed legislation. Every employee will now have two pay packages — immediate wages in the form of cash, and postponed wages in the form of paid-up pension benefits", he told **FP**.

"We are very pleased about the proposal as a whole. At last, after some years of lessening interest by the federal government, we are going to have supervision of pension plans by the provinces.

"Approval of the plans when they are set up is only half the job. After the plans are in operation, it is vital that their solvency should be ensured".

However, he felt there are still many details to be settled.

How much may the employee be asked to contribute? What happens to profit-sharing plans?

Hard on the heels of the pension bill release is Canada Permanent's announcement of a new guaranteed fund particularly designed for companies with fewer than 100 employees.

Company will not only act as trustee for the pension fund, but will guarantee principal as well as interest, — something new in the trustee pension field, it says.

L. F. Wills, chairman of the portable pensions committee, Ontario division, Canadian Manufacturers Association, stressed the desirable social implications of the bill, but was concerned over the administrative problems that will arise.

"Any scheme involving a compulsory pension coverage is bound to increase manufacturing costs," he told **FP**.

"It is reassuring to note, however, that Mr. Frost has indicated that, if pension portability is to be successfully achieved, it must be countrywide in its application.

"Further, in my opinion, it must be based on standardized procedures, particularly in the administrative field."

Wills felt that the minimum standards for acceptable pension plans are reasonable, but that provision should be made in the mandatory requirements for employee contributions.

Francis K. Eady, National Union of Public Service Employees, said the bill did not go far enough.

"This is a very small, timid step toward a full national pension plan.

"It's an expediency — an attempt to solve the problem of portability within the existing group of private pension plans. It's just a means of saving the pension business for private companies".

The vast majority of people who really need this coverage will still be without a pension plan, Eady said.

Included in this group he named construction workers, plasterers, plumbers, bricklayers, small, light industries using female labor, as in the garment industry, small retail stores, restaurants and the tourist industry.

Eady told **FP** that the labor movement was also concerned over the investment of pension funds. He felt that too much investment was being made in firms controlled by pension nominees.

W. J. Adams, vice president and secretary of **Canada Life Assurance Co.** represented the Ontario Chamber of Commerce at hearings held by Ontario portable pension committee.

The Ontario chamber did not recommend the compulsory aspects of the bill, he told **FP**, but preferred tax incentives.

If some form of compulsion is necessary, the type of plan proposed in the bill is much to be preferred over any government social security scheme, he said.

United Steelworkers of America are glad to see this interest on the part of the province, the union's Ted Goldberg said.

But basically, the steelworkers are in favor of a social security plan on a national scale, he said.

Goldberg said he was distressed that the Ontario committee's hearings of submissions from employers and other interested concerns had been held in private. He hoped that this would not be repeated in any subsequent hearing on the present bill.

Strong reaction to the bill's provisions freezing employer contributions came from W. T. Mead, secretary-treasurer, **John A. Lang & Sons.**

"Aside from the obvious merits of other elements of the plan, this is an unwarranted invasion of personal and private rights. Removal of choice is not necessary to carry out the objects of the plan."

"Here we have a government which denies having a bureaucratic or socialistic philosophy instituting a measure which removes an employees control over his own savings."

Ind. Minerals Net Down 28%

Industrial Minerals of Canada Ltd., nepheline syenite producer at Nephton, Ont., net profit declined 27.8% to $52,739 in first six months of 1961 ($73,000 like period 1960).

Profit was equal to 13c (18c) per share.

Tonnage sales were down 14.8% from corresponding 1960 period. Dollar sales revenue was down 20.3% due to price reductions necessary to remain competitive, Secretary D. D. Anderson says.

Capital expenditures were $88,905 ($36,139). Extensive quarry development program planned for 1961, and now under way, accounted for a substantial portion of the expenditures, Anderson says.

Company was formerly known as **American Nepheline Ltd.**

Here are comparative figures:

Six months to June 30:	1961 $	1960 $
Operating profit	290,457	351,009
Less: Interest	21,018	27,224
Disc. on U.S. funds	3,497	35,426
Taxes	27,984	32,896
Write-offs	185,219	182,463
Net profit	52,739	73,000

Crow's Nest Net Up 6% in 6 Mos.

Increased production of coal and lumber boosted consolidated net profit for **Crow's Nest Pass Coal Co.** to $362,801 for six months to June 30/61, 5.7% higher than $343,363 for first half 1960, says company in first semi-annual report.

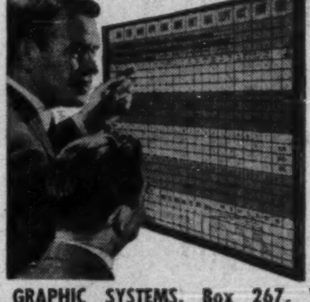
Earnings were equal to 58c (55c) per share.

Coal mined totaled 378,982 tons (349,368 tons in first half 1960); coke production eased to 65,023 tons (69,951 tons); oil output also down at 130,533, bbl. (137,336 bbl); but lumber production up at 5,508,516 fbm (5,435,923 fbm).

Company purchased a further 10,000 common shares of **Calgary & Edmonton Corp.,** increasing to 40,000 shares its holding in the western oil and gas producer.

Results for the remainder of the year are expected to be similar to those for the first six months, President T. G. Ewart says.

You See What's Happening At A Glance!



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ANNOUNCEMENT

IMPERIAL INVESTMENT APPOINTMENTS

WM. E. DONNELLY, B.A.

H. JOHN BURNS, C.A.

Peter Paul Saunders, president of Imperial Investment Corporation Ltd., is pleased to announce the appointment of William E. Donnelly, B.A., to the newly created position of Assistant to the President, and H. John Burns, C.A., to the position of Director of Business Development, Western Region.

Mr. Donnelly joined Imperial Investment as Credit Manager in 1956 and was appointed General Sales Manager in 1958. He is also a Director of Elite Insurance Company.

Mr. Burns has been a financial executive in the forest industries of British Columbia for the past fifteen years. He brings to his new position a great fund of experience in financial analysis and business management.

ANNOUNCEMENT

CITIES SERVICE OIL CO. LTD.

HAROLD W. TORGESON

The appointment of Harold W. Torgeson as manager of the Cities Service Trafalgar Refinery, near Bronte, Ontario, was announced today by R. J. Hull, President of the Cities Service Oil Company Limited. Formerly the manager of the Cities Service Ponca City, Oklahoma, refinery, Mr. Torgeson holds a Chemical Engineering Degree from the University of Kansas and has had 12 years of administrative experience in oil refining.

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THE ROYAL BANK OF CANADA

FP reports on EUROPE

Is Europe Now Ready To Welcome the U.K.?

By ERNEST WAENGLER

CONTINENTAL European reaction to Prime Minister Macmillan's declaration of U.K. willingness to join the European Economic Community was more positive than had been expected.

Aside from isolated rumblings from European Free Trade association partners about the U.K. unilaterally wrecking that organization, and French hints that EEC concessions to Commonwealth interests would run into strong opposition, all European countries welcomed the British step as a contribution to Western unity.

They also showed some understanding for the need to modify certain EEC rules to accommodate the new partner.

West Germany, the strongest champion of inviting Britain into EEC, declared that the Rome Treaty makes special considerations for a new member entirely feasible, at least during a transition period.

"British ties with the Commonwealth," said Foreign Minister von Brentano, "are very important to the whole world, and must not be endangered by us."

On this subject, there is still divergence of view between Germany and France. **France has long insisted that Britain can only join EEC "as is", but there are indications that French intransigence is gradually weakening.**

A joint communique of the U.K.'s six partners in EFTA expresses their intention "to explore all ways and means, in co-operation with EEC, by which all EFTA members may become associated to a single market with a population of 300 million."

* * *

FRANCE announces a new round of tariff reductions for this fall, to complement the reductions that became effective last April.

On April 1/61, all import duties were reduced by 5% and those for certain industrial products by an additional 5%. Although these reductions became fully effective for imports from other EEC countries, they did not in all cases take effect for imports from the outside because the new tariff would have fallen below the minimum common external tariff for all EEC.

The new measure will grant a 5% reduction to all tariff items that did not get the additional 5% reduction last April.

* * *

AUSTRIA has lifted a number of import restrictions in trade with the GATT countries, including Canada. The new liberalization covers a quota of approximately 10% of Austria's total imports.

Three GATT countries — Czechoslovakia, Cuba and Japan — are excluded for the time being from the benefit of Austria's liberalization.

Austria's trade deficit for the first half of 1961, $158 million, is 11% higher than in the same period last year. Imports increased 9% to $764 million, exports 8% to $606 million.

Canadian exports to Austria in the first quarter were $1,276,000, 36% above last year.

* * *

ITALY is working its way into a front position in iron and steel production.

Pig iron production in 1960 was 2.7 million metric tons, over twice as much as in 1954. Steel production reached 8.2 million tons, compared to only 6.7 million tons the year before.

This has raised Italy's share in the steel production of the six countries of the European Coal and Steel Community from 9.6% in 1954 to 11.4% last year, the largest percentage increase of any member country.

Increased reliance of European iron and steel producers on outside sources of ore and coal has put Italy at a relative advantage, since most of her new plants are located at the coast and can handle imported raw materials cheaper than most of her rivals.

Both export and domestic consumption of Italian-made steel have risen dramatically in the past five years.

* * *

SCANDINAVIAN countries, traditional suppliers of lumber products to the rest of Europe, have been watching with apprehension the increase in wood pulp imports from Canada and the U.S.

They appear to be ready for a counter-offensive.

To compete with what the Scandinavians consider dumping methods from North America, they have lowered export prices to Europe for bleached sulphite by 3% and for bleached sulphate by 2%. Unbleached sulphite is now offered at a 1% discount.

Canadian first quarter exports to Europe of wood pulp are showing encouraging results.

France bought $567,000 worth of bleached sulphate (1st qtr./60: $422,000), $344,000 of bleached sulphite (1st qtr./60: nothing), $57,000 of semi-bleached sulphate ($47,000), $63,000 of unbleached sulphate ($18,000) and $93,000 of unbleached sulphite ($69,000).

Canadian sales of semi-bleached sulphate to West Germany were worth $219,000 ($107,000) and of unbleached sulphate $197,000 ($62,000).

* * *

GREECE records a 30% increase in the import of industrial consumer goods in the first quarter of 1961, from $34.2 million last year to $44.4 million this year.

Of these, items classified as "non-essential" (textiles, automobiles, electric appliances, etc.) account for an increase of nearly 50%. Rising living standards and wider use of consumer credit are the main reasons.

Canadian exports to Greece, almost entirely in the food, raw material and "essential" class, have increased from $1,179,000 in the first quarter of 1960 to $1,551,000 in the first quarter of 1961.

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THE INVESTMENT FUNDS

N.Y. Capital Fund Boosts Non-Canadian Holdings

New York Capital Fund Ltd., U.S.-owned Canadian mutual fund, net assets decreased 2.2% to US$31,470,255 in three months to June 30/61.

Net asset value per share in same period declined 0.45% to US$15.62 (US$15.69 at March 31/61).

There was net liquidation of 33,798 shares during the quarter, reducing number outstanding to 2,015,268.

Fund in April-June quarter made new commitments in common shares of nine issues, only one of them Canadian, **Rothmans of Pall Mall Canada Ltd.**

Here are changes for the quarter in detail:

	Amount held June 30 1961 C$	Change since Mar. 31 1961 C$
BONDS:		
Canada 3½%/62	400,000	+400,000
COMMON:	— Shares or par value —	
Crown Life	10,000	+5,000*
Deutsche Bank ..	DM240,000	+DM40,000*
Dresdner Bank ..	DM220,000	+DM20,000*
Dominion Stores .	7,000	—3,000
Drug Houses (Australia) ...	10,000	+10,000
Gr. Magasins au Printemps	250	+250
Kaufhof	DM12,000	+DM12,000
Simpsons	nil	—15,500
De Bijenkorf ...	Hfl.12,000	+Hfl.12,000
Source Perrier ..	385	+385
Rothmans	5,000	+5,000
Automobiles Peugeot	600	+600
Badische Anilin ..	DM437,100	+DM57,100*
Photo Produits Gevaert	171	+171
Ampol Petroleum	75,000	+75,000
Hudson's Bay Oil & Gas ...	2,000	—13,000
Paneil Co.	nil	—20,000
Do warr.	nil	—2,000
Royal Dutch Pete	43,500	+3,500*
Trinidad Pete ...	nil	—15,000
N.V. Philips' ...	Hfl. 741,000	—Hfl.15,000
Dom. Tar. & Ch.	28,000	—3,625†
St. Lawr. Corp. .	nil	—23,000‡

*Increased through stock splits, stock divds. & exercise of rights.

†Received in exchange for St. Lawrence Corp. less shs. sold.

‡Exchanged for Dom. Tar & Chemical.

U.S. Ford Net Increases 9% 2nd Quarter

Ford Motor Co., Dearborn, Mich., reports second quarter consolidated net income of $133.2 million ($2.42 per share) in 1961 against $121.7 million ($2.22) in same period last year. Increased ownership in foreign subsidiaries accounted for 11c per share of the total 9% increase.

Sales were 5% higher at $1,878.3 million.

This brings first half sales to $3,339.4 million ($3,695.3 million) and earnings to $209.4 million ($264.8 million) or $3.81 ($4.83) per share.

Factory sales of domestic and foreign cars, trucks and tractors were off 14% at 1,505,073 (1,739,603) units.

On June 30/61, working capital stood at $1,275.3 million.

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Will GATT Pact Curb Cheap Textiles?

Perhaps, If Ratified, ... And If It Is Kept

By LESLIE WILSON

OTTAWA (Staff) — The GATT textile agreement will relieve import pressure on the Canadian textile industry if it persuades key European industrial countries to give Asian textile exporters access to their market.

This view — that of the Canadians who took part in the talks leading up to the agreement — assumes that the instrument will be ratified by the 16 textile exporting and importing countries who negotiated it late last month at Geneva.

There are four textile exporting countries involved — Japan, India, Pakistan and Hong Kong (which, as a Crown colony, was represented by the U. K.)—plus 13 textile importers: U. S., U. K., Canada, Germany, France, Italy, Belgium, The Netherlands, Portugal, Sweden, Spain, Austria and Australia.

Conditions of the agreement:

- **It is to run** for 12 months beginning next Oct. 1.
- **During the 12 months,** if a participating country is threatened by cotton textile exports from one of the other countries in the agreement, it has the right to ask the exporter to restrain sales at levels not lower than those prevailing in the 12-month base period ending last June 30.
- **If the exporting country** doesn't agree, the importer has the right to restrict cotton textile imports to those prevailing in the base period.
- **Countries which now maintain quotas** on cotton textile imports agree to "significantly increase access" to their markets by the exporters.

It is the last condition which may prove to be the governing one in the minds of officials of the exporting countries who are now considering ratifying the agreement.

The European Economic Community (Common Market) countries now restrict textile imports far more stringently than Canada does.

Neither France, Belgium nor The Netherlands acknowledge Japan to be a member of GATT and thus eligible for low GATT tariff rates.

Nor does the U. K. give Japan GATT treatment.

Germany and Italy have strict controls on textile imports from underdeveloped countries.

Key questions for the success of the agreement:

- **Will Japan and Hong Kong,** the main exporters, ratify the agreement in the expectation that these markets will be opened to their products?
- **If Japan and Hong Kong ratify,** will these markets in fact be opened, and will the agreement therefore be continued?

The agreement is the result of U. S. pressure and follows talks over the past several months in London and Washington, as well as more recently at Geneva. It is intended to be an interim arrangement only — the committee which worked it out is to report on long-term measures for expansion of textile sales by next April.

The present agreement contains a clause applying specifically to Canada.

We have no legislative machinery to put quantitative restrictions on imports. The Canadian method is to fix artificially high values for duty on imports which it is desired to restrict, and this may produce imprecise results.

Should Canada attempt to restrict imports of a particular textile product by duty valuation, the result might be to cut the level below that prevailing in the June 30/60 to June 30/61 base period.

The other countries in the agreement recognize this and will allow us some leeway in using our particular restrictive method.

World Textile Volume Grows ...

World Textile Industry, Quarterly Production Indexes

(Corresponding quarter of previous year = 100)

	1960			1959				1958			
	I	II	III	I	II	III	VI	I	II	III	IV
World	107	103	99	103	110	109	108	95	95	97	102
North America	102	97	93	117	123	115	106	95	99	107	88
Southeast Asia	110	110	106	106	111	113	111	97	94	90	94
Latin America	100	96	100	100	105	94	90	98	94	93	87
Western Europe	114	106	105	105	104	105	110	97	94	93	97

... Imports Hit Us Hard

Imports of Selected Textile Products

	$'000's		
HONG KONG	1960	1959	1958
Cotton gloves	130	54	90
Cotton shirts	793	699	430
Cotton towels	87	110	29
Wool mitts	373	329	318
Gloves, synth. fibre	535	301	442
Clothing, synth. fibre n.o.p.	945	252	84
INDIA			
Colored cotton fabrics	1,381	1,099	1,054
Unbleached cottons	1,299	1,303	1,106
JAPAN			
Cotton shirts	1,829	2,378	1,963
Cotton clothing n.o.p.	3,679	3,525	2,866
Clothing, synth. fibre	5,498	8,603	2,871
Synth. fibre mfgrs. n.o.p.	673	741	512

Col. Cellulose Sales Up, Profits Down

Columbia Cellulose Co., Vancouver, reports net profit for six months ended June 30/61 down 86% from same period last year. Net profit was $144,322 ($1,817,852). Sales, however, were up from $14,842,848 to $16,070,864.

Substantial increases in cost of sales, depreciation, and income taxes all tended to decrease net profit. A provision of $479,292 was made for income taxes reflecting the end of the company's accumulated tax loss period.

The new Celgar pulp mill is expected to begin contributing to profits in the second half of the year.

What's Covered

OTTAWA (Staff) — Here is the list of cotton textile types covered by the Cotton Textile Agreement negotiated at Geneva. The list is intended to cover all types of cotton textile products.

Cotton yarn, carded, singles, not ornamented; cotton yarn, plied, carded, not ornamented; cotton yarn, singles, combed, not ornamented; cotton yarn, plied, combed, not ornamented; ginghams, carded yarn; ginghams, combed yarn.

Velveteens, corduroy, sheeting, carded yarn; sheeting, combed yarn; lawns, carded yarn; lawns, combed yarn.

Voiles, carded yarn; voiles, combed yarn; poplin and broadcloth, carded yarn; poplin and broadcloth, combed yarn.

Typewriter ribbon cloth; print cloth type shirting, 80 x 80 type, carded yarn; print cloth type shirting, other than 80 x 80 type, carded yarn; shirting, carded yarn; shirting, combed yarn.

Twill and sateen, carded yarn; twill and sateen, combed yarn; yarn-dyed fabrics, except ginghams, carded yarn; yarn-dyed fabrics, except ginghams, combed yarn; fabrics, n.e.s., carded yarn; fabrics, n.e.s., combed yarn.

Pillowcases, plain, carded yarn; pillowcases, plain, combed yarn; dish towels; towels, other than dish towels; handkerchiefs; table damasks and manufactures.

Sheets, carded yarn; sheets, combed yarn; bedspreads; braided and woven elastics.

Fishing nets, gloves and mittens, hose and half hose, men's and boys' all white T shirts, knit or crocheted; other T shirts; knitshirts, other than T shirts and sweatshirts.

Sweaters and cardigans, men's and boys' shirts, dress, not knit or crocheted; men's and boys' shirts, sport, not knit or crocheted; men's and boys' shirts, work, not knit or crocheted.

Raincoats, ¾ length or over; all other coats.

Men's and boys' trousers, slacks and shorts (outer), not knit or crocheted; women's, misses' and children's trousers, slacks and shorts (outer), not knit or crocheted; blouses, and blouses combined with skirts, trousers, or shorts; women's, misses', children's and infants' dresses (including nurses' and other uniform dresses), not knit or crocheted; playsuits, sunsuits, washsuits, creepers, rompers, etc. (except blouse and shorts; blouse and trouser; or blouse, shorts and skirt sets).

Dressing gowns, including bathrobes and bathrobes, lounging gowns, dusters and housecoats, not knit or crocheted; men's and boys' undershirts; men's and boys' briefs and undershorts; drawers, shorts and briefs (except men's and boys' briefs), knit or crocheted.

All other underwear, not knit or crocheted; nightwear and pyjamas.

Brassieres and other body supporting garments; other knitted or crocheted clothing; other clothing, not knit or crocheted; all other cotton textile items.

Dow Makes New Solvent

Dow Chemical of Canada has begun engineering for production of chlorothene at Sarnia. This is a general purpose solvent with broad industrial applications.

Chlorothene has no fire or flash point measurable by standard methods, which eliminates the danger of solvent-caused fires. It is also said to be the least toxic of all chlorinated solvents. It is used extensively in the metal fabricating, printing and textile industries.

Expansion of Dow Chemical's latex plant at Sarnia is now complete. The expanded facilities will also provide for new, improved styrene-butadiene latex formulations.

The new facilities have trebled capacity of the original unit.

The move was spurred by an increasing demand for latex for new uses and growing markets in textiles, fine paper, paint and building products.

Giant Yellowknife Earnings Off 21%

Second quarter earnings of **Giant Yellowknife Mines** are down 21%, to $375,114, from previous quarter.

Recovery of both gold and silver was down. Precious metal income was $1,986,652 ($1,988,346 in first quarter). Exploration expenses, at $246,558, were more than double first quarter exploration costs.

Company reports average price received for gold was $35.26 oz., compared to $34.48 in previous quarter.

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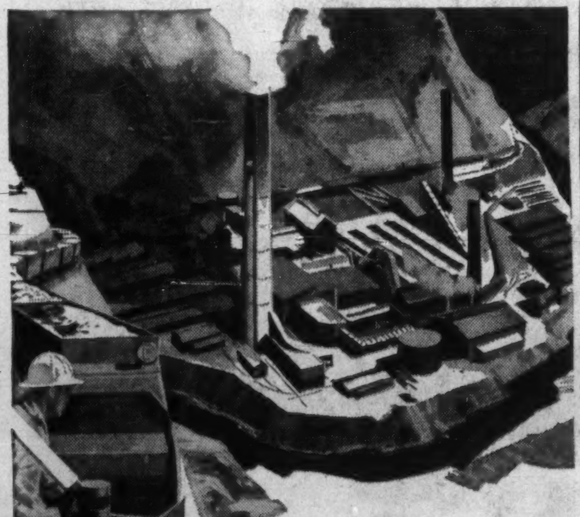

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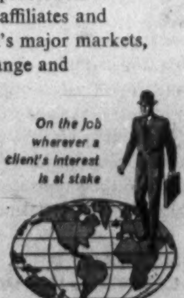

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ANNOUNCEMENT

J. A. FERRY

E. V. Rechnitzer, president, MacLaren Advertising Co. Limited, announces the appointment of J. A. Ferry as a vice-president of the Company. Since August 1st, 1960 Mr. Ferry has been Manager of Western Operations for the Company. His appointment is a part of a planned programme of development for MacLaren in Western Canada.

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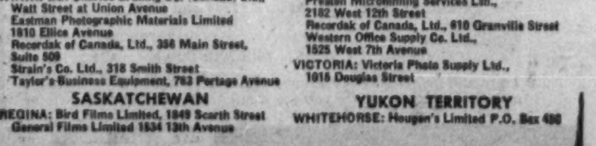


CANADIAN KODAK CO., LIMITED, Toronto 15, Ontario

Our Strummin' is a Merry Business

Musical Instrument Sales Now $20 Million a Year

By BASIL JACKSON

More Canadians are playing musical instruments than ever before—and making sweet melodies for the musical industry as well as for themselves.

To the tune of $20 million a year.

Record player and phonograph record production make up some of this total—but musical instrument manufacturing in Canada accounts for over $6 million with another $7 million worth of instruments being imported.

Canadian instruments valued at $750,000 are exported each year.

Since the end of World War II Canadians have become more and more interested in making their own music—in spite of the attractions, and distractions, of radio and television.

• **Most authorities agree the main reason is the stimulus provided by our schools—students are encouraged to learn to play an instrument.**

• **Another factor is the influence of immigrants,** many of whom come from countries where music-making is a tradition.

Television made a dent in musical instrument sales between 1951 and 1954—the years of avid interest in the electronic entertainer.

But, as we developed a take-it-or-leave-it attitude toward TV, we picked up the discarded violins and guitars, even moved the piano back into the front room.

Schools in Montreal, Toronto, Ottawa, Calgary, Edmonton, Regina, Vancouver and many other cities and towns provide music lessons, and there are a number of school bands and orchestras.

At least two Toronto schools have 80-piece symphony orchestras, and give renderings of major classical scores.

Harvey Perrin, director of music for the Toronto School Board, says music courses were first introduced into the city's secondary schools 25 years ago, and have been in elementary schools for the past 11 years.

There are now over 5,000 children taking string, brass and reed instrument instruction in Toronto secondary schools alone, and over 1,250 engaged in similar courses in the elementary schools.

Here's how interested we are in the various groups of instruments:

Violins, Strings

Violin-making has never been a big operation in Canada—but there are many old hands who still make their own.

George Heinl & Co., violin makers and distributors in Toronto, imports violins from Germany, sells close to a 1,000 a year.

Average retail price is around $30, but prices range from about $18 up to $100.

Heinl makes only one or two violins a year now — priced around $600 each.

George Heinl, Jr., believes one medium of entertainment influences another.

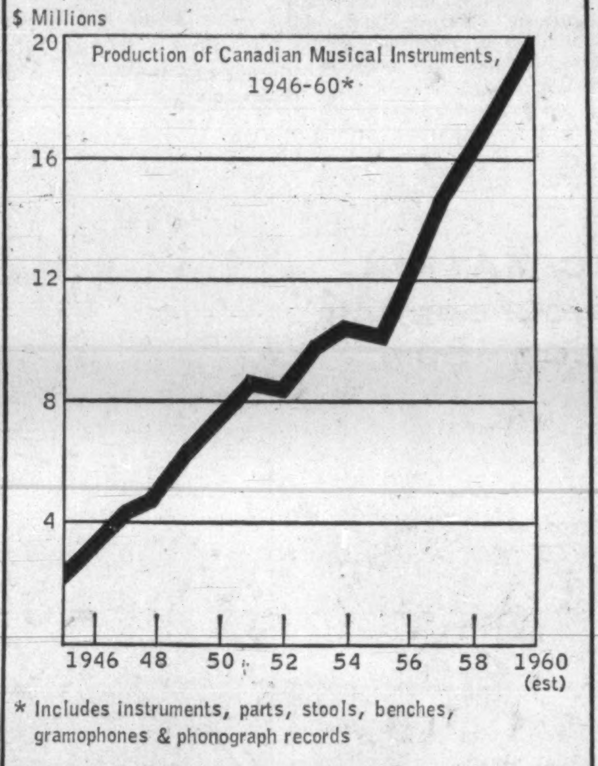
"People see an instrument being played on TV and get the urge to try it themselves," he says.

"Take guitar playing.

"With Elvis Presley on one hand and Segovia playing classical guitar on the other, many people who would never have started to learn to play until electronic communications stirred their souls are now having lots of fun playing guitars."

Besides violins, the Heinl company distributes mandolins, banjos, and guitars.

THE MUSIC BUSINESS GOES UP AND UP



* Includes instruments, parts, stools, benches, gramophones & phonograph records

Source: DBS

Wind Instruments

Wind instruments—both brass and woodwind — are also big sellers in the musical industry.

W. A. Shepherd, president of **Whaley, Royce Co.,** manufacturers of brass trumpets, bugles, trombones and one-valve French horns, agrees with others in the business that most of the trade is done in the amateur field.

"The professional musician buys a good quality instrument at the beginning of his career, and this lasts him for many years," he says.

"Most of the sales made to the professional deal with parts and repairs.

"The amateur tends to buy a cheaper instrument when he begins to take lessons. If he gets on well, and likes it, he then trades up to a more expensive instrument. The bulk of our sales are to amateurs."

The company wholesales from coast-to-coast, and has 1,500 retail accounts, serviced from the factory and store in Toronto and from another store in Vancouver.

Brass, woodwinds, percussion and other instruments are distributed, and many are imported.

Price increases on imported instruments are now current, especially on those from the U. S.

Tariff duty is a big factor in the price structure. Tariff on instruments imported from the U. S. is 17% for the instrument and 22½% for the case.

"We import them separately," says Shepherd. "If the instrument comes already packed in the case we are charged the 22½% duty on both the instrument and the case."

He is trying to have the cases made locally — one luggage maker is already in production.

But the volume is not big enough to make it a really worthwhile operation.

Pianos, Organs

Piano and organ sales are booming in Canada—and organ sales are not cutting into piano sales, according to B. C. Heintzman, of **Heintzman & Co.**

"Piano sales are the highest since before the 1931 depression," says Heintzman. "Pianos and organs are running more or less parallel with each other, and both are up.

"There is no interference — pianos are sold mostly for children's use, while organs are bought by adults for their own amusement."

The electric and electronic organ business has increased at a fast clip during recent years. Because of the sustaining musical notes obtainable with an organ, many people with little or no previous knowledge of music are able to play melodies after only a few hours instruction.

Chord organs are popular. This type plays cords by depressing buttons — one finger will do it—and the melody is obtained by pressing another button.

Most organs are imported from the U. S., but some are made in Canada.

There are a number of Canadian piano makers, some are:

Bohne Industries Ltd., Heintzman & Co., Mason & Risch Ltd., and **Winter & Co. of Canada,** all of Toronto; and **Willis & Co.,** of Montreal.

Donahue Bros. Net Down 1.7%

MONTREAL (Staff) — Net profit of **Donohue Bros.** for six months ended June 30/61 fell 1.7% to $535,317 from $544,835 a year earlier.

Earnings per share were 89c (90c).

President Mark Donohue pointed out that lower earnings resulted from slight decrease in shipments as well as increased operating costs.

Production is back to normal after a fire on July 24. Donohue reported that property and loss of profit were adequately covered by insurance

Here are comparative details, subject to year end adjustments:

Six months ended June 30:	1961 $	1960 $
Net earnings	1,357,899	1,341,480
Less: Depreciation	275,421	236,561
Income Taxes	547,161	560,084
Net profit	535,317	544,835

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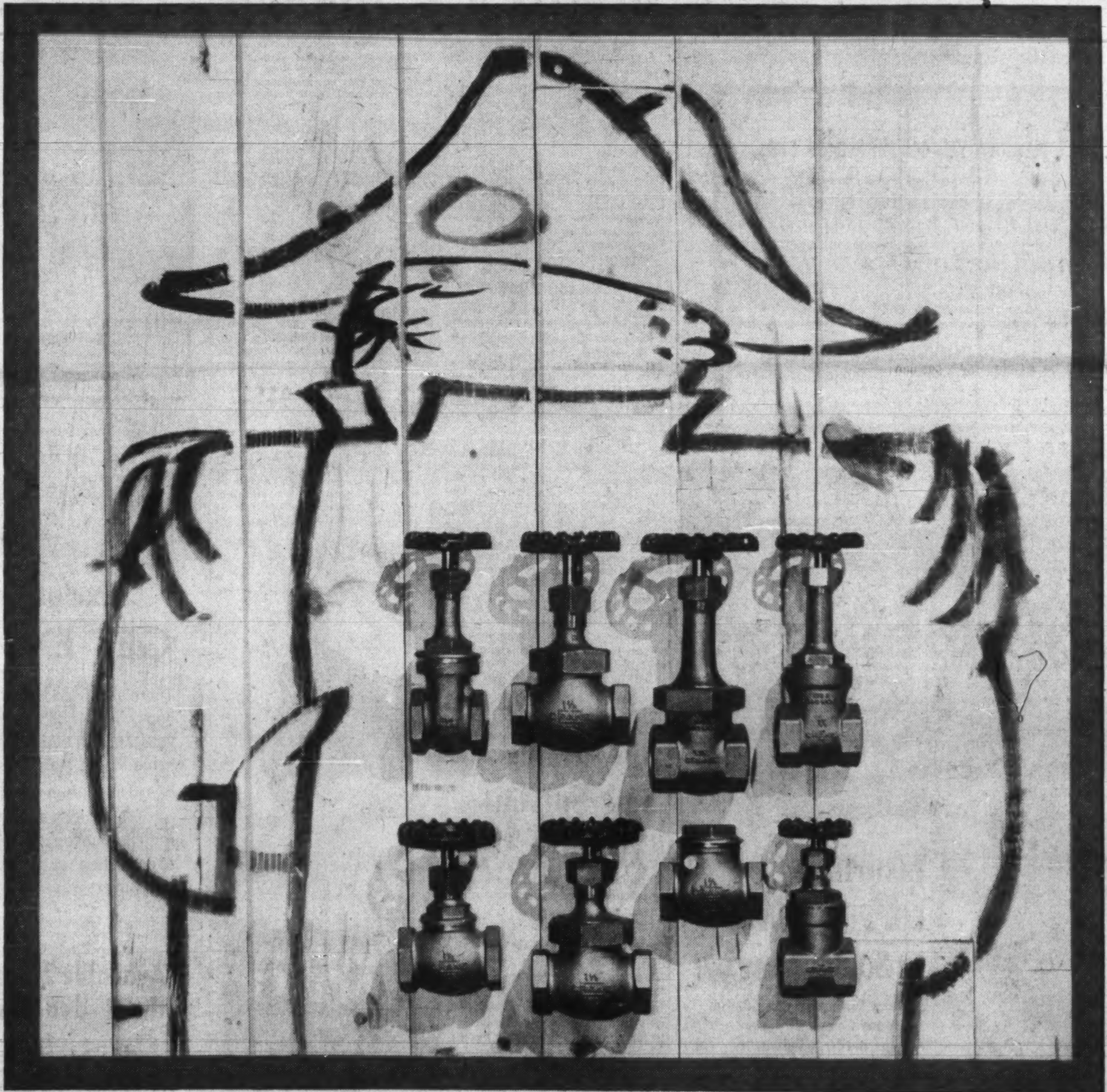

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ST. JOHN'S, NEWFOUNDLAND
The Newfoundland Hotel (Tel: 3031) 4th-9th September
CORNER BROOK, NEWFOUNDLAND
Glynmill Inn (Tel: NE. 4-5386) 11th and 12th September
OTTAWA
Chateau Laurier (Tel: CE. 2-6411) 14th-29th September
HAMILTON
The Royal Connaught Hotel (Tel: JA. 7-5071) 2nd and 3rd October
TORONTO
The King Edward Hotel (Tel: 368-7474) 4th-14th October
MONTREAL
The Windsor Hotel (Tel: UN. 6-9611) 18th-27th October

Mr. Duns will be at:
HALIFAX
The Lord Nelson Hotel (Tel: 423-6331) 24th August-1st September
VICTORIA
The Empress Hotel (Tel: EV. 4-8111) 5th-29th September
VANCOUVER
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ANNOUNCEMENT

ELECTED DIRECTOR OF MONTREAL TRUST

PETER NESBITT THOMSON

The election of P. N. Thomson as a director of Montreal Trust Company has been announced. Mr. Thomson is Vice-President and Managing Director of Power Corporation of Canada Ltd. He is also a director of Bathurst Power & Paper Co. Ltd., Canadian Celanese Ltd., Canadian Oil Companies Ltd., Imperial Investment Corp. Ltd. and a number of other important companies.

Why Some Foreign 'Parents' Still Escape the Tax Hike

By NEVILLE NANKIVELL

Parent firms in some European countries, notably the U.K., are still not paying the full 15% withholding tax on dividends received from their Canadian subsidiaries.

Reduced rates (zero for the U.K.) are still in effect because amendments to tax treaties existing between these countries and Canada are still under discussion.

The withholding tax rate was raised last December to a uniform 15% (**FP**, Jan. 21).

Meanwhile, dividend payments from Canadian subsidiaries to U.K. parents have been stepped up.

There are also indications that the U.K. government will put pressure on British companies with investments in non-sterling areas to increase dividend payments (**FP**, July 29).

In first quarter 1961, Dominion Bureau of Statistics reports, net payments of interest and dividends to the U.K. rose by $6 million to $30 million.

In 1959 dividend payments (gross) to U.K. totaled $61 million, interest payments $19 million. Canada received $10 million in dividends from the U.K. and $24 million in interest receipts.

Final figures haven't been released, but it is understood that pattern was much the same in 1960.

On this basis, **FP** estimates dividend payments to U.K. last year at around $60 million and dividend payments in first quarter 1961 at about $25 million.

When will U.K. parent companies have to pay full 15% rate on dividends they receive from Canada — as do all U.S. corporations now?

FP has been told, by informed sources, that the U.K.-Canada treaty negotiations have not been going along smoothly.

The public Canadian government view is that "these things are complicated and take time." Progress is being made, government spokesmen say.

One thing, though, is certain. The countries concerned—U.K., The Netherlands, Sweden, Ireland, Denmark and Finland — will continue to get reduced rates through 1961, and possibly a big part of 1962.

U.K. firms which own all voting shares (except directors' qualifying shares) of a Canadian corporation are completely exempt from withholding tax on dividends.

Dutch parent companies which own at least 50% of voting shares still get away with a 2½% rate. In some special circumstances, they are completely exempt.

Treaties still in force with Sweden, Ireland, Denmark and Finland provide for a 5% rate where 50% of stock is held. Companies in this category, however, are probably few.

Before Dec. 20/60, when the "Baby Budget" was brought down with the tax changes, the Income Tax Act provided that the general 15% tax on dividends to non-resident shareholders was reduced to 5% where the parent corporation owned all voting shares.

This special concession was cancelled, but tax treaties with some countries still provided for other reduced rates.

The U.S. treaty provided for a 5% rate where at least 51% of shares were held by the parent firm. This provision was automatically cancelled without termination of the rest of the treaty.

The 15% rate became effective for other tax convention countries (except those mentioned) because the treaties didn't provide for a special rate.

Finance Minister Fleming said at the time that treaties containing provisions for a special reduction would be renegotiated as soon as possible.

"The purpose will be to impose the full 15% rate in every case," he said.

The alternative to negotiation was to give notice of termination on or before June 30—then the treaty concerned would cease at the end of 1961.

The government spokesman told FP that all treaties are still in force and Canada is still honoring obligations under them.

Earliest date they can be terminated now is end of 1962 — by giving notice before June 30/62.

The spokesman said it would be possible to make the amended treaties retroactive to Jan. 1/61 so full 15% withholding tax could be collected on dividends paid this year.

But he admitted that this was not likely because it would be difficult to enforce and "not very practical."

"We hope to be able to report some progress on negotiations by the end of this year," he said. "But it's doubtful any of them will be settled by then. Early next year is the best possibility now."

Union Oil Co. of California Canadianizes Operations Here

Union Oil Co. of California will more fully Canadianize its operations in this country. It is transferring all of its Canadian properties and assets to **Union Oil Co. of Canada** for 2,995,000 shares of the latter company.

Union of Canada expects to make a public offering of new shares for sale in Canada and to make application to list its shares on leading Canadian stock exchanges.

Three of the Canadian company's seven directors are prominent Canadian businessmen—Harold S. Foley, Vancouver, vice-president; David G. McConnell, Montreal; W. Culver Riley, Winnipeg.

Chairman of Union of Canada is Reese H. Taylor; president is W. E. Farrar.

Since Union of California began exploration in Canada in 1946 it has taken part in drilling 175 exploratory wells resulting in 22 oil discoveries or step-out field extensions and 21 gas discoveries.

Assets to be transferred consist of producing oil and gas wells, production facilities, proved oil and gas lands, and exploratory leases and rights covering some 6.1 million net acres in Western Canada and the Northwest Territories.

Kerr Profits Down 6%

"No ore developments of significance" are reported by **Kerr-Addison Gold Mines** in company's first half statement.

Profits are off 6%, to $2,395,370 (50.6c share), from first half 1960.

President W. S. Row says strike length of 4,000 ft. was investigated on the 4,800-ft. level. On the 5,600-ft. level, the crosscut is advanced and exploration drifts started.

Company is seeking a projected extension of the ore zone in a program calling for not less than 6,500 ft. of work on both these levels.

Production in the No. 4 shaft area and development work for its expansion are on schedule, Row says. Three stopes are in production on the 3,850-ft. level and two stopes are being prepared on the 4,000-ft. level.

On the 4,400-ft. level one drift and two raises are being driven. One stope is being readied on the 4,400-ft. level, he adds.

President Row notes lower mill tonnage for the period reflects decline in mine productive capacity above the 3,700-ft. level. Daily tonnage average in 1961 may be about 10% less than in 1960.

Here are Kerr-Addison results.

	First Half 1961	First Half 1960
Tons milled	792,829	829,381
Gold, oz.	283,147	294,590
	$	$
Production value	9,902,849	10,015,058
Other income	243,924	206,569
Operating costs	5,816,403	5,547,065
Depreciation	486,000	589,153
Taxes	1,449,000	1,554,662
Net profit	2,395,370	*2,530,747
Per share	50.6c	53.5c

*Adjusted.

Atlantic Accept. Net Climbs 16%

Consolidated net profit (unaudited) of **Atlantic Acceptance Corp.**, Toronto, rose 15.5% in first six months of 1961 to $165,691 ($143,508 like period 1960).

Profits per share were equal to 52c (68c) on the 302,352 (196,753) second preferred and common shares outstanding.

Consolidated net profit in second quarter 1961 was up 15.3% to $98,001 ($85,002 like period 1960), while profit for first quarter 1961 was up 15.7% to $67,690 ($58,506 like quarter 1960).

Business on hand at June 30/61 was $23.7 million, up 51.9% on $15.6 million a year earlier.

Gas Feeder Line Will Stretch Across Metro Toronto

Consumers Gas Co. has begun construction of a 30-inch trunk feeder line which will make additional quantities of natural gas available to residential and industrial customers in Metro Toronto and district.

The feeder line started this week is the beginning of a big-inch line that will ultimately stretch across the northern boundary of Metro Toronto. The 10½-mile section to be built this year will have capacity enough to supply over a quarter of a million homes. Cost is estimated at $1.5 million.

"Ten times more natural gas is being delivered to the Metro Toronto system of Consumers' Gas today than was delivered to the same area just seven years ago," W. M. Kelly, vice-president stated.

KVP Sutherland Net Drops 4.1%

KVP Sutherland Paper Co., Kalamazoo, Mich., showed 5% drop in sales at $90,043,979 ($94,805,863) and 4.1% drop in earnings at $3,789,101 ($3,950,705) for nine months ended June 30/61. Earnings per share were $1.71 ($1.78 including 12c per share of non-recurring income).

"Reasonably good results" for the final quarter can be expected according to President Dwight L. Stocker.

At 1960 year-end, Canadian assets, **KVP Co.**, Espanola, Ont., and **Appleford Paper Products**, Hamilton, totaled $17.7 million.

Dividend of 35c per share has been declared payable Sept 9/61 to shareholders of record Aug. 21/61.

Craig Bit Profit Declines 3.7%

Craig Bit Co., North Bay, Ont., reports net profit of $23,516 (10c per share) for nine months to June 30/61, down 3.7% from $24,415 (11c) a year earlier.

Operating profit in the period was $172,389 ($148,239 last year). Selling and administrative expenses were up 20.5% at $130,933 ($108,702).

For the three months ended June 30/61, net profit is indicated at $10,445 (4c per share) vs. $8,081 (3.5c) a year ago.

ANNOUNCING

Important appointments in Canadian industry, Finance, Business and Government

Associated Standard Wire & Cable Ltd. (Toronto) — A. Basen, president & general manager.
Banff Oil Ltd. (Calgary) — John C. Rudolph, president.
Bank of Montreal (Montreal — J. E. Toten, economic advisor.
Borden Chemical Co. (Canada) (West Hill, Ont.) — Ted Larson, technical director.
Canada Packers Limited (Toronto) —Dr. G. F. Clark, director.
Co-operative Fire & Casualty Co. (Regina)—Harvey J. Pinch, manager.
CKEY (Toronto) — J. L. Sayers, general sales manager.
CTV Television Network Ltd. (Toronto) — Sydney Hermant, director, E. Ross McLean, executive producer.
Governor General's Staff (Ottawa) — Col. A. G. Cherrier, assistant secretary, succeeding Edmond Joly de Lotbinière, now first secretary at Canadian High Commissioner's Office, London.
G. H. Wood & Co. (Toronto) — R. W. Wagner, Toronto division sales manager; I. C. Kirkwood, assistant Toronto division sales manager.
Helene Curtis (Canada) Ltd. (Montreal) — Miss L. Dorion, general accounting manager & assistant treasurer.
Humphreys & Glasgow (Canada) Ltd. (Toronto) — J. Ian Jenks, manager for Western Canada at new Calgary office.
International Utilities Corp. (Toronto) — H. R. Milner, chairman of board; D. K. Yorath, J. C. Dale, vice-presidents.
J. Walter Thompson Co. (Montreal) — Harry B. Glass, director of market research department.
London & Petrolia Barrel Co. (London, Ont.) — K. Michael Pascoe, sales & service representative for B.C. and Alberta.
Maclaren Advertising Co. (Toronto) — J. A. Ferry, vice-president.
McLennan, McFeely & Prior Ltd. (Vancouver) — Gordon Farrell, chairman of the board.
Mercantile & General Reinsurance Co. (Toronto) — B. L. Burnell, assistant actuary for Canada.
Merk Sharp & Dohme of Canada Ltd. (Montreal) — Dr. T. Airlie Brown, medical director.
New Brunswick Publishing Co. (Saint John, N.B.) — Ralph Costello, president.
Noranda Mines Ltd. (Toronto) — A. H. Zimmerman, comptroller.
Northern Life Assurance Co. of Canada (London, Ont.) — James W. Hutton, Geoffrey Horrocks, executive assistants.
Oscar C. Rixson Co. (Canada) (Toronto) — Robert J. Mifflin, general manager.
Peacock Brothers Ltd. (Montreal) —Richard A. Stikeman, vice-president.
Pepsi-Cola of Canada Ltd. (Montreal) — Charles A. Misener, public relations manager.
Pilot Insurance Co. (Toronto) — James B. Redpath, director.
Purolator Products (Canada) Ltd. (Toronto) — D. E. Taylor, marketing manager.
Quebec Hydro-Electric Commission (Montreal) — Marcel Jean, chief internal auditor; Roland St-Amour, assistant director of purchasing, stores & traffic department; Jean-Charles Lépine, manager of plant security department.
Quebec Natural Gas Corp. (Montreal) — Jean Jacques Leroux, vice-president for sales and services; Jean H. Archambault, general sales manager.
René T. Leclerc (Montreal) — Pierre Duhamel, director.
Reynolds Aluminum of Canada Ltd. (Cap-de-la-Madeleine, Que.) — B. G. Dunlop director.
Robert Simpson Co. (Toronto) — James S. Bryant, general manager of Toronto store.
Royalite Oil Co. (Calgary)—George E. Edworthy, director.
Sparling Tank & Mfg. Co. (Toronto) — G. L. Gooding, manager of operations; D. J. Nickilo, special projects engineer; Robert F. Scott, chief inspector.
Spitzer, Mills & Bates Ltd. (Toronto) — George E. Cross, senior vice-president.

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Crushed stone from this quarry has in the past been shipped primarily to United States markets.

Sealed Tenders en bloc will be received by the undersigned Trustee until 12:00 o'clock noon on Wednesday, the 6th day of September, 1961 for the purchase (subject to the conditions of sale hereinafter mentioned) of the interest of the undersigned in certain assets of

NIAGARA CRUSHED STONE (HUMBERSTONE) LIMITED, PORT COLBORNE, ONTARIO

consisting of:

(a) Real property situate in the Township of Humberstone, County of Welland including the buildings, power house and lines erected thereon;
(b) Plant, machinery and equipment including crushing plant, storage bins, conveyors, power shovels, compressors, repair parts and supplies, etc.;
(c) Inventory of crushed stone and rubble;
(d) Trucks and automobile;
(e) Office furniture and equipment.

The above assets are subject to certain land mortgages, chattel mortgages and conditional sales contracts, and prospective purchasers must include in their tender a firm arrangement for dealing with the said encumbrances.

Tenders must be accompanied by a certified cheque in favor of the undersigned for $50,000 as a deposit, which will be returned if the tender is not accepted and forfeited to the undersigned as liquidated damages if the tender is accepted and sale not completed by the purchaser. The balance of the purchase price shall be paid on closing which shall be within thirty (30) days after tender is accepted.

The highest or any tender shall not necessarily be accepted.

Tenders must be enclosed in a sealed envelope marked "Tender — Niagara Crushed Stone (Humberstone) Limited".

Arrangements to inspect the said assets and conditions of sale may be made on application to the undersigned.

Dated at Toronto, Ontario, this 8th day of August, 1961.

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Pack Train Brands Planning To Take Over Six Companies

A new company, **Pack Train Brands Corp.**, Toronto, announced this week it will start to distribute by the end of September a wide range of food, grocery, bakery, dairy, soda fountain and kitchen products, under its own label and specifications.

And early in 1962, the company says, it plans to introduce a Pack Train brand of cigarettes to the Canadian market.

Albert Train, company president still in New York, says negotiations are well advanced to take over six Canadian companies for the supply and distribution of the new brands.

Neither Train nor the company's lawyer will give much information about the new firm's moves, but it is known that another new company, **Investment Properties Corp.**—to be the parent or holding company—now is in the process of incorporation.

However, preparatory to setting up packaging for its own brand of goods, Train says he wants "clarification of the laws, if any, concerning the packaging of goods in Canada."

The firm charges that "scandalous conditions prevail in the packaging industry here."

Train says the company is making application to Ottawa regarding the packaging laws.

Underwear Prices Going Up 5%-10%

MONTREAL (Staff) — Latest word from the largest Canadian manufacturers of knitted cotton underwear is that most branded and unbranded lines will cost more at retail in the spring.

One manufacturer has already boosted wholesale prices and others will follow, company spokesmen told **FP**.

This will be the first cotton underwear increase — as much as 5%-10% on most lines at retail — in over eight years.

"There have been some minor downward adjustments but no price increases since Korea," one company spokesman says.

Manufacturers call the increases "moderate", and all attribute them to:

- Higher costs of raw cotton.
- Higher costs of other raw materials, e.g., elastic and packaging.
- Higher labor costs.

Imported raw cotton is dearer mainly because of loss of the premium on the Canadian dollar.

"This was the straw that broke the camel's back," one manufacturer says.

Since retail margins are narrower on unbranded cotton underwear lines than on national brands, price increases may be somewhat more in percentage terms on unbranded underwear.

Typical of spring retail price increases would be men's briefs which now sell at $1 and could jump to $1.10 a pair.

Sweeping Finance Changes Begin in N.B. Government

Special Correspondence

FREDERICTON — New Brunswick's government is reorganizing completely its department of the provincial secretary-treasurer.

A study earlier this year by **Payne-Ross Ltd.**, Toronto management consultants, spurred the changes, to be completed by March/62.

Here is what has been done so far by cabinet order:

- **Department of** provincial secretary-treasurer has been split into two, finance and provincial secretary, to remain under the same cabinet minister, Hon. L. G. DesBrisay.
- **Replacing** the comptroller-general's office will be an independent auditor-general, reporting to the legislature, and a comptroller of accounts heading the finance department's accounts division.
- **Finance department** will have a treasury board. One of its jobs: to run new procedures and controls for government contracts.
- **Control over government spending will be at two levels, orders and expenditures. Previous control existed at expenditures level only.**
- **Central services** branch to coordinate data processing and punch card accounting.

A new Financial Administration Act will be introduced at the next sitting of the legislature.

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THE FINANCIAL POST, TORONTO

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FLORIDA
(Salary)

A selling opportunity with unlimited earning potential, plus management career, with the nation's largest builders and developers.
3 years ago we started making history at Port Charlotte, Florida, a city being born over night.
Our Toronto Office, which was opened one year ago, has made a record-smashing success. Within the past month we have opened branches in Hamilton and London.
Applicants (for newly established Housing Division) must be top calibre salesmen, with proven sales background (preferable intangibles).

GENERAL DEVELOPMENT CORP. OF CANADA LTD.
1560 BAYVIEW AVE. • TORONTO • HU-8-1151

Supervisor Sales Position with
MANAGEMENT OPPORTUNITIES

Canadian Life Insurance Company growing rapidly under new progressive management has an opening for supervisor in Hamilton. This provides an exceptional opportunity to the right man who must reside in Hamilton, be under 45 years of age, have at least two years experience selling life insurance and be a proven producer.
Offer is a sound basic salary, full commission on business produced personally, plus overriding bonuses. Plus the opportunity to develop into management.

OUR STAFF IS AWARE OF THIS OPENING.
APPLY IN CONFIDENCE TO
BOX 590, THE FINANCIAL POST, TORONTO

CANADIAN SALES REPRESENTATIVE

A challenging opportunity to head established Canadian Sales of famous named vending equipment. Applicant should be 30-40 years of age, bilingual with successful sales background. College education preferable. Technical ability essential. Salary, commission and expense account provide incentive to progress rapidly.

Submit résumé of qualifications and experience in strictest confidence to

BOX 587, THE FINANCIAL POST, TORONTO

Electronic Representatives
FOR TORONTO — $10-$18,000

We Need At Once Several Men With These Qualifications:

UNIVERSITY graduate or equivalent experience (at least 5 years) in punch card and/or computer systems and procedures experience. Age 30-55.

MUST have high oral and writing communication ability, the intelligence, personality, etc., necessary for top-level executive contact.

THESE positions lead to senior management posts in a relatively few years.

Send Detailed Typed Resume in Duplicate With Photo, Addressed to Ken Bottoms, at:

CHARLES EXECUTIVES
120 EGLINTON E., TORONTO 12 — HU. 7-1576

CHARTERED ACCOUNTANT

A large, well-established retail organization requires a chartered accountant aged 30-35 for its Head Office in Toronto. The man required will report direct to the Chief Financial Officer and will initially be assigned to interesting work in connection with systems and procedures. Eventually he could assume a senior line position responsible for general and financial accounting.
Candidates should have a broad background in accounting and some knowledge of punched card equipment and procedures. The starting salary will be in the $8,000 range and working conditions and fringe benefits are excellent.

Please reply in confidence, with envelope marked "Re Chartered Accountant", to:

PRICE WATERHOUSE & CO.
55 Yonge Street • Toronto, Ontario

FINANCIAL EXECUTIVE
($15,000-$16,000)

A Vancouver-based corporation in a basic industry, with several plants and national distribution outlets, seeks a senior financial executive to take charge of accounting and financial administration as Treasurer and Controller.

A C.A. of approximately 48 years of age is preferred with experience in manufacturing and sales organizations, including advice to management on taxation and other financial and management problems and activities. Starting salary as indicated above with usual fringe benefits plus use of car.

All replies should be in the form of a comprehensive résumé, and will be held in strict confidence. Refer to V-446.

STEVENSON & KELLOGG, LTD.
Consulting Management Engineering
810 Royal Bank Building, Vancouver, B.C.

Here are clues to profit

A businessman's judgment is no better than his information. You can profit from Canada's bustling growth as other businessmen do — through The Financial Post. Here is Canada's most comprehensive business news service. Every week, The Post helps you gauge the swing of business and investments. It helps you plan with confidence, make sound decisions. In brief, it helps you make more money because it helps you anticipate trends and developments across the nation. Yearly by mail in Canada $8; elsewhere $9 yearly

EDITOR

The Society of Industrial & Cost Accountants invites applications for the position of editor of its monthly journal, Cost and Management. This position also includes responsibility for directing and publishing special studies in accounting and financial management. Successful applicant must have degree in Commerce or Business Administration. Preference will be given to those who have had editorial experience.

Replies to P.O. Box 176, HAMILTON, Ontario

RS — RÉSUMÉ SERVICE CO.

Your job application will be more effective with our professionally prepared résumé. Write for details or inquire at Rm. 304, 97 Eglinton Ave. East, Toronto. HU. 1-6301.

MANAGER REQUIRED

Excellent opportunity in management and sales of tree fruits, predominately apples, with new growers' organization, Toronto-Hamilton area. Apply in writing to Ontario Tree Fruits Co-operative Limited, P.O. Box 1240, Milton, Ontario.

TRUST COMPANY

REQUIRES

INVESTMENT ANALYST

Leading Trust Company has challenging opening for a man possessing ability, drive and desire to progress. The position also requires administrative ability and experience in the investment field. Top salary, all security benefits, age bracket 28-40. Give résumé of experience and personal status which will be treated in confidence.

Box 612
The Financial Post, Toronto

HEATING, PIPING and VENTILATION

DESIGN ENGINEERS WANTED

Applications are invited by the Consolidated Mining and Smelting Company of Canada Limited at Trail, B.C., from Design Engineers in the heating, piping, and ventilation field. Applicants should have industrial background.

Permanent positions with advancement opportunities are available. Starting salary commensurate with experience. Excellent working conditions and employee benefits.

Applications should be made in writing, giving full particulars of education and experience to the Supervisor, Staff and Training Department at Trail, B.C. Personal interviews can be arranged.

ACCOUNTING MANAGER

A leading manufacturer and distributor in the beverage industry requires an Accounting Manager for their Montreal office. This man will be responsible for the general accounting, cost accounting and budgeting functions and will report to the Division Controller.

The applicant must be technically strong and have demonstrated ability to supervise accounting personnel and maintain effective relationships with plant personnel.

Age 28-35 Bilingual Preferred

Replies, which will be treated in confidence, should state age, education, detailed experience and present salary, and should be addressed to:

URWICK, CURRIE
LIMITED
MANAGEMENT CONSULTANTS
507 Place d'Armes, Montreal 1, Quebec

LS

MARKET RESEARCH

A MANAGER is required to fill this new growth position in a large manufacturing company with world wide exports. He will organize and analyze source and sales material, develop sales research and sales cost analysis, and also assist in preparing sales forecasts.

Candidates should have a minimum of three years experience, be well educated, with some training in economics and preferably some familiarity with the export trade. They should have good personalities and the ability to move later into field sales and management. Linguistic ability advantageous.

Age: 28-35 **Salary: $7,300-$10,000**

Applications held in confidence. Time will be saved by giving full personal and experience details including present salary.

Leetham, Simpson Limited
Management Consultants
EXECUTIVE PLACEMENT DIVISION
550 Sherbrooke St. W., Montreal VI 2-4125

An interesting growth opportunity in a new Canadian manufacturing plant

PLANT SUPERINTENDENT

Required

By a strong company with international operations now building a plant in Canada.

The desired qualifications include several years of supervisory experience and control of chemical plant operations, preferably in the heavy chemical field, and a university degree in Science or Chemical Engineering. Age, preferably 28-36.

Starting salary range will be considered in the area of $8,500-$10,500.

Enquiries invited in confidence

JOHN HOLT STETHEM AND COMPANY LTD.
Executive Personnel Consultants
1454 Mountain Street, Montreal — AV. 8-5274

CONTROLLER — C.A.

For rapidly expanding vending company. Position offers exceptional opportunity. Experience in vending industry helpful but not required. Salary open. All replies treated in confidence.

BOX 607, THE FINANCIAL POST, TORONTO

CONSTRUCTION MANAGER

A leading contracting company based in Western Canada seeks a high level manager to head a major department with full responsibility for diversified heavy construction projects ranging from dams and hydro-electric facilities to harbour facilities and large industrial buildings.

Duties include supervision of estimating, negotiation and administration of contracts, and direction, coordination, and control of all operations of this major unit.

Applicants should be engineering graduates or equivalent with diversified and proven successful experience in heavy construction, including responsibility as project manager of major projects. They should be well and favourably known in the construction field, must have strong leadership qualities, energy, and initiative, and must be prepared to travel extensively as required in widespread activities. Salary open but for the right man will equal or exceed remuneration common for similar positions. Replies should be in the form of a comprehensive resume. Use Reference Number V-447.

STEVENSON & KELLOGG, LTD.
Consulting Management Engineering
810 Royal Bank Building, Vancouver, B.C.

OPERATIONS ANALYST

With a B.A. or M.A. in mathematics and with 2 to 5 years experience in operations research computer programming or in allied work. The candidate must be bilingual. The successful applicant's main responsibilities will be to study and evaluate as requested current operating data processing systems and/or process control systems, and to prepare and evaluate improvements. He will equally be responsible for the design, organization, and implementation of new systems. The incumbent will report to the co-ordinator in charge of Systems in the Accounting Department of Arvida Works, Arvida, P.Q. Salary commensurate with experience.

METALLURGISTS

Two graduate engineers preferably with 3 to 5 years of related industrial experience are required for careers in physical metallurgy. Initial assignments will be in Technical Department of the Company's Kingston, Ontario Works where responsibilities include development of techniques for fabrication of ingot, sheet, foil and extrusions or at our Vancouver, British Columbia Works where rod, wire, and extrusions are fabricated.

Please apply in writing to:

ALUMINUM COMPANY OF CANADA, LIMITED
Staff Personnel Division • P.O. Box 6090, Montreal 3, P.Q.

OUTSTANDING SALES CAREERS AT

BURROUGHS BUSINESS MACHINES LTD.

As a result of unprecedented expansion and the introduction of new electronic data processing equipment, there are now several professional-level sales positions open with Burroughs in the following cities: Vancouver, Edmonton, Regina, London, Hamilton, Toronto, Ottawa, Montreal, Quebec and Halifax.

These are career opportunities with a leader in the ever-expanding field of advanced computers, electronic accounting and data processing machines and systems.

Starting salary is open and will be in line with your present earnings and experience. Income potential and opportunities for advancement are unlimited. You will receive an orientation in products and success-proved sales techniques second to none.

If you have had a sound data processing background or successful sales experience, we are anxious to talk to you. Please write to the Director of Personnel at 443 University Ave., Toronto, Ontario.

Burroughs Business Machines Ltd.

COMPUTER PROGRAMMER

Required for numerical analysis and programming of technical engineering problems related to the oil and gas industry. Applicants should have a degree in Mathematics (Honours) or Mathematics and Physics with one or two years' stored programming experience, preferably on an LGP-30 computer. Plans are being formulated for an Integrated Data Processing installation on a large scale in three or four years.

Salary fully commensurate with education and experience. Excellent employee benefits. Applicants are invited in confidence and should include age, education, detailed experience and salary required.

Replies should be forwarded to:

PERSONNEL MANAGER
OIL AND GAS CONSERVATION BOARD
603 - 6 Avenue S.W., Calgary, Alberta

CONTROLLER

A large financial institution with branch offices requires a Controller. This man must have a good educational background through the university level and hold the degree of Chartered Accountant or equivalent. He must have several years' experience as a senior financial executive in a large financial or commercial business, and he will be located in Montreal.

The applicant must be technically strong, able to express himself clearly and convey his ideas to other members of management. He must have demonstrated the ability to supervise accounting, methods, budgeting, and data processing activities.

Age 35 - 40

Replies, which will be treated in confidence, should state age, education, detailed experience and present salary, and should be addressed to:

URWICK, CURRIE
LIMITED
MANAGEMENT CONSULTANTS
507 Place d'Armes, Montreal 1, Quebec

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

POSITIONS AVAILABLE

MANAGER MARKET PLANNING

A challenging opportunity for a man with the following qualifications. He will be a University graduate and will have a background in sales, distribution and advertising of consumer products. He will have several years' experience in developing and executing marketing plans in which goals and objectives are clearly and specifically stated. He will be an individual who has the leadership qualities to co-ordinate the work of others.

Company-paid medical, hospitalization, group life and pension programs.

Please send complete resume including references and salary desired with the knowledge that your reply will be held in confidence to —

R. A. Woodrow, Manager, Sales Organization

B. F. GOODRICH CANADA LTD.
409 WEBER ST. WEST • KITCHENER, ONTARIO

J. B. Fraser Executive Placement Consultants Ltd.

Canada's leading Executive and Professional Placement Company, serving Business, Industry and Executives from coast to coast for nearly a quarter century, invites your confidential enquiries.

With a skilled staff of twenty and executive offices in both Toronto and Montreal, personnel requirements are negotiated in all categories from $6,000 to $60,000 a year and Presidential levels.

TORONTO—WA. 2-2191
The Confederation Life Building
321 Bloor Street East

MONTREAL—VI. 2-9835
The Drummond Building
1117 St. Catherine Street West

ONTARIO BRANCH MANAGER

For engineering sales organization. Should be 30-35 years of age, education University Degree or equivalent, with proven record in sales of electronic industrial instrumentation and components. Write giving complete résumé of education and experience to

BOX 591, THE FINANCIAL POST, TORONTO

VICE PRESIDENT

(Approximately $25,000)

A large well established National Financial Corporation with head office in Toronto seeks a vice president. This rapidly expanding organization needs a man of outstanding calibre to direct and coordinate its operations throughout Canada.

The position, which reports to the executive vice president, will carry responsibility for assisting in the formulation of company policy. It will include implementation and coordination of policy throughout the widely scattered company network. Experience in the financial field is an asset but experience specific to our client's particular business is secondary to proven ability in top level management.

The man will be under fifty years of age and will have demonstrated exceptional skill and capacity at top executive level as a professional manager and an imaginative, aggressive leader of men.

All replies will be held in confidence and should be in the form of a comprehensive business resume to Mr. B. B. Puddy, Director.

STEVENSON & KELLOGG, LTD.
CONSULTING MANAGEMENT ENGINEERING,
150 Eglinton Ave. East, Toronto, Ont.

SHOPPING CENTRE MANAGER

Experienced man required for rentals and management of several existing centres in British Columbia. $8,000 minimum salary plus bonus arrangement for right man. Send full résumé including recent earnings.

Our staff knows of this advertisement.

BOX 577, THE FINANCIAL POST, TORONTO

PROVINCE OF ONTARIO TREASURY BOARD ANALYSTS

The Treasury Board of the Province of Ontario has immediate vacancies for several analysts having a broad knowledge of government organization and finance. These analysts will be required to conduct research into and investigate existing and projected departmental programs, to examine proposals having financial implications, to analyze annual departmental estimates and supporting data, to co-ordinate estimates for Treasury Board and legislative review, to maintain a system of budgetary control, and perform other related duties.

Preferably, candidates should be university graduates in political economy, public or business administration or members of a professional accounting association; and should have at least five years experience in public finance administration.

Salary range: $7,200 to $9,000 per annum.

All replies must include personal, educational and experience details and should be mailed not later than August 22, 1961, to: Recruitment Supervisor, Room 480, Parliament Buildings, Toronto, Ontario.

ASSISTANT SECRETARY

REQUIRED BY

ONTARIO MILK DISTRIBUTORS' ASSOCIATION

We have been requested to locate and select an Assistant Secretary for our client, the Ontario Milk Distributors' Association.

The individual selected will be required to understudy the present Secretary and learn the secretarial function for this large Association. There is a realistic opportunity for advancement.

This position should be attractive to a man in the 30-45 age range, who has had some association, or allied, experience. Dairy or other agricultural background would be a definite asset, but is not essential. The salary will be fully commensurate with background and experience. Benefits include a pension plan and hospitalization programme.

All applications should include age, education, business experience, current salary, and should be mailed, in confidence, to:

WOODS, GORDON & CO.
15 Wellington Street West, Toronto 1, Ontario
MANAGEMENT CONSULTANTS

PERSONNEL ADMINISTRATION and INDUSTRIAL RELATIONS MANAGER

Required

For a large plant engaged in heavy industrial manufacturing operations in Ontario.

Qualifications should comprise good breadth of experience in all phases of Personnel Administration and Industrial Relations, strong growth potential and a University Degree.

Starting salary in the $11,000-$12,000 area.

Enquiries invited in confidence

JOHN HOLT STETHEM AND COMPANY LTD.
Executive Personnel Consultants
1454 Mountain Street, Montreal — AV. 8-5274

BRANCH MANAGER

($10,000 plus commission)

A large Southern Ontario dealer in construction machinery and equipment seeks a Branch Manager to direct the merchandising of its various lines and to administer the Toronto Office.

The position, which reports to the General Manager, will be responsible for the planning, coordination and direction of the entire marketing function including advertising, sales promotion, market research and the supervision of field sales and administrative staff.

The man will be 35 to 45 years of age, with a minimum of five years' experience in the marketing of heavy construction equipment in the Toronto area. He will have demonstrated effective leadership, administrative capacity and sound analytical ability.

The company handles outstanding lines in its field and is capable of substantial growth.

All replies will be held in confidence and should be in the form of a comprehensive business resume.

STEVENSON & KELLOGG, LTD.
CONSULTING MANAGEMENT ENGINEERING,
150 Eglinton Ave. East, Toronto, Ont.

CANADA

ECONOMISTS

required by Royal Commission on Health Services

Applicants must have research or teaching experience, post-graduate training preferred.

One position for General Economist.

Second position for Economist with specialization in financial and fiscal matters.

Third position for Social Scientist with experience in health and welfare matters.

Salaries depending on experience $8,000 to $12,000 per annum. Two-year appointment. State training, experience and give references.

Replies to be addressed to

The Secretary,
Royal Commission on Health Services,
P.O. Box 1173,
Ottawa, Ontario.

DESIGN ENGINEER

THE POSITION WE OFFER

A growth opportunity offering a great professional challenge. Responsibilities will include the design of gates and structures for hydro-electric stations, transmission towers, penstocks, navigation lock gates, pressure vessels, cranes and hoists, heavy weldments, miscellaneous structures, special purpose machinery, and hydraulic equipment. This is an unusual opportunity for professional development on a high plane in a congenial atmosphere and unrivaled working conditions conducive to positive results.

THE MAN WE SEEK

He is a graduate mechanical or structural engineer with extensive structural design experience, and is also an A-1 stress analyst. He is skillful and experienced in producing economic and competitive designs. He is an enterprising man presently employed on similar work but seeks broader frontiers. He is energetic, confident, has poise, and considerable fabrication experience. He can produce results.

Age: 35 to 45 preferred, although older men may be considered.

Bilingualism would be an asset.

Salary: Open.

Please apply in writing giving full particulars of training and experience to:

Vice-President i/c Manufacturing,
Sorel Industries (1959) Limited,
Sorel, Quebec.

All letters will be answered, and held in strict confidence. Interviews will be conducted in Montreal if desired.

Relocation Allowance.

FP reports on THE WORLD OF HEALTH

The man who eats a good breakfast produces more during the day . . .

EMPLOYEES who eat a good breakfast turn out more work than those who skip breakfast and take a roll and coffee at the mid-morning break.

In the Journal of the American Dietetic Association, W. W. Tuttle and Edward Herbert reported on an experiment which they had conducted with 20 subjects, 18 to 36 years of age, including both office and factory workers. The maximum work output was measured by a bicycle ergometer.

The researchers concluded that all subjects did significantly more work when they had an adequate breakfast. Taking a mid-morning coffee break on top of a good breakfast did not further increase the work output.

The mid-morning break did give the breakfast-skippers a boost in their work output but they were considerably below the maximum maintained by the breakfast-eaters.

An adequate breakfast? The Cereal Institute says it should consist of fruit, cereal, milk, bread and a spread.

* * *

THERE IS an idea going around that sex deviates and sex criminals (particularly those committing offences against children) can be "cured" if only they can be given psychiatric treatment.

"Naive and idealistic," says Dr. Herbert Pascoe, writing in the Canadian Medical Association Journal.

A successful type of treatment might eventually be worked out for these sex offenders but it is a long way off according to Pascoe.

Generally, psychiatric treatment provided by the courts is not working out. In almost every case the sex offender is a seriously disturbed person and the therapy provided, usually in groups, is not direct enough, nor is there enough time provided for long and detailed psychoanalysis.

Because of the increasing number of sex offences against small children, a number of Toronto women formed a group to pressure the provincial government to set up some type of psychiatric treatment for sex offenders.

As a direct result, the Ontario government set up the Forensic Clinic to treat sex deviates.

The clinic is a useful start in the rehabilitation of sex offenders but so far it has not worked out as visualized by the women who got it started.

Bringing together homosexuals has spawned new problems. It was found that sexual relationships started to develop among the homosexuals taking the treatment. In fact, one member was so aggressive toward the passive members that he had to be separated from the group.

A few of the sex deviates were helped, but the net results were not impressive. There seemed to be a general improvement in a group of exhibitionists, some of the deviates who had made sex attacks on children were helped but there was a high percentage of repeat offences.

Out of eight Peeping Toms receiving treatment only three were considered improved. Five have already been picked up for repeat offences.

* * *

IF YOU have gained more than 10 lb. since you were 25, your chances of coronary artery disease are likely to be greater than those of people whose weight has remained relatively stable.

To find out if aging was the only factor causing the general increase in fat-forming esters in the blood of middle-aged men, three doctors at Yale University measured blood fat values in 215 men between the ages of 30 and 70.

The researchers found there was an abnormally high amount of serum triglycerides (fat-forming esters) in the blood of men who had gained more than 10 lb. since they were 25. Much smaller amounts were found in the men who had kept their weight down.

* * *

A FLICKERING television screen can cause epileptic seizures in susceptible individuals, report Drs. Pallis and Louis in Lancet.

They explain that a major convulsion could result when the face is near the screen and the eyes are closed. The flicker induces fast regular symmetric impulses to the brain which could bring on a seizure in susceptible patients.

The flicker seizures can be induced in people with no previous epilepsy, head injury or encephalitis.

The Lancet article says that susceptible people should avoid bringing the face near a slowly flickering screen in a darkened room. If this is impossible, however, and distress is noted the patient should turn away promptly and never remain facing the screen with closed eyes.

* * *

TESTS of a new tumor-inhibiting antibiotic, Spiramycin, have given such good results that trials are being undertaken in patients with Hodgkin's disease (a type of tumor of the aortic arch over the heart).

Dr. Nathan Back of Roswell Park Memorial Institute, Buffalo, N.Y., reported that the new antibiotic is given orally for bacterial infections and intravenously for tumors. Preliminary tests showed that the survival time of tumor-bearing animals receiving Spiramycin was prolonged significantly.

* * *

THE British Medical Association is upset about a provision in the new Road Traffic Bill. The clause which the BMA does not like would allow the prosecution to use a motorist's refusal to submit to a blood, breath, or urine test as evidence against him.

The doctors feel that this provision is contrary to the established principles of English law. They are backed up by the Automobile Association and the National Council for Civil Liberties.

"The principle of innocence until proved guilty is fundamental to our concept of justice, and to compromise could be the thin edge of the wedge," say the opponents to the Bill.

* * *

ALCOHOLICS ANONYMOUS system of help and sharing experiences is being used to treat neurosis.

The organization for mentally upset men and women is called Recovery Inc. Meetings are held in much the same way as the AA.

Patients talk about their symptoms, their fears and their problems, and, like the AA, the members get strength and confidence by knowing that other people are fighting mental upsets.

Trained leaders conduct the meetings which usually supplement the regular psychiatric treatment the members are taking.

Members of the Toronto, Hamilton and Brantford branches recently held a party to celebrate the first year of Recovery Inc. in Canada. The plan is catching on, Toronto members say, and new branches are being started in many Canadian cities.

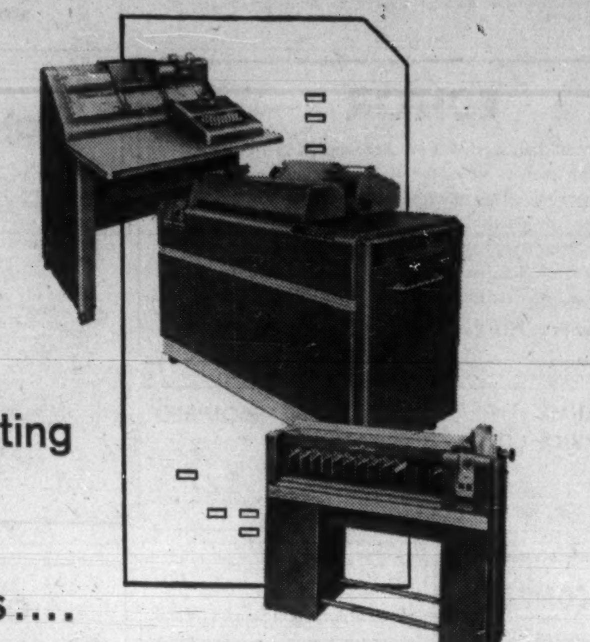
We Smoked More, Took Less Snuff

Canadians smoked more cigarettes and cigars in June than they did during June of last year—but took less snuff, according to figures released by the Customs & Excise branch of the Department of National Revenue.

Unrevised statement of tobaccos, cigarettes and cigars entered for consumption in Canada for June/61, with June/60 figures—

	June 1961	June 1960
Cigarettes	3,706,675,015	3,191,687,245
Cigars	31,851,985	29,340,835
	lb.	lb.
Tobacco, cut	2,278,427	2,142,567
Tobacco, plug	97,635	79,463
Tobacco, snuff	80,100	82,280
Cdn. raw leaf tobacco	79,955	69,490

Duty-paid products re-manufactured not included.



IBM Card Punch, IBM Accounting Machine and IBM Sorter

Do your accounting with these IBM Units....

More than likely your company can use an IBM Punched Card System to considerable advantage for general accounting, payrolls, analyses of any kind, daily reports for management, complicated manufacturing formulae and many other computations.

IBM Punched Cards can be used wherever there is a sufficient volume of data. They provide fast, and accurate records, eliminate bottlenecks and streamline all accounting procedures. Systems can be as small as two units, with other units added as the job demands.

Companies using IBM punched cards find them very, *very* time saving and efficient. Why not investigate the possibilities of using them in your company? An IBM Representative will be glad to give you detailed information.

IBM. *punched card systems*

INTERNATIONAL BUSINESS MACHINES COMPANY LIMITED
Don Mills (Toronto), Ontario
Branches in principal cities

*Trade Mark

A MESSAGE TO YOU

from Mrs. Angélina DuTremblay, President & General Manager of the new, independent newspaper

le nouveau journal
LE QUOTIDIEN NATIONAL DU CANADA FRANÇAIS

"My belief that French-Canada is ready for a modern, independent newspaper has been verified by the enthusiastic interest shown me since the initial announcement of the publication of Le Nouveau Journal two months ago.

At the present time we French-speaking Canadians are in the process of a dynamic evolution equal to the prosperity and progress of English-speaking Canadians. Our unique individuality is also re-emerging with a strong and more sophisticated voice. Le Nouveau Journal will add strength to this voice and reflect the new and exciting mood of Quebec.

In order to present a quality family newspaper, that has strong, unbiased opinions, I have gathered together a team of accomplished journalists. Headed by Jean-Louis Gagnon, as Editor-in-Chief, these popular journalists have an established following. Their proven success, together with extensive promotion of this newspaper, justifies my expectations of a wide and increasing circulation.

For these reasons I feel that you, as a businessman, will find Le Nouveau Journal to be an effective selling medium in the Montreal area."

ADuTremblay

To spear-head changing Quebec mood

A NEW, EVENING DAILY FOR MONTREAL

Le Nouveau Journal to be launched Sept. 5

MONTREAL: A new French-language evening daily will be on the newsstands at noon, Tuesday, September 5th. Le Nouveau Journal, published by Les Publications de la Fondation Ltée, owned by La Fondation Berthiaume-DuTremblay, will give Montrealers a quality paper with strong opinions, lively news and family entertainment.

Mrs. Angélina DuTremblay, President and General Manager, and her staff have, for many years, wanted to bring a new look to journalism in the Province of Quebec. This staff of respected and well-known reporters and journalists, headed by dynamic Jean-Louis Gagnon, will present local, provincial, national, international, sports and women's news and views in a lively and personalized manner.

Feature writers, special correspondents and commentators will report news in depth and give their own, sometimes controversial, interpretations which will underline the unbiased, independent policy of the paper.

IN A RECENT INTERVIEW JEAN-LOUIS GAGNON SAID, "WE WILL PRINT THE NEWS, COMMENT ON THE NEWS AND JUDGE THE NEWS."

Le Nouveau Journal is probably the first newspaper in North America to appear on the streets of a great metropolis, full-fledged, full-grown and ready to give readers and advertisers alike the benefit of the best in French-Canadian journalism. The fact that a newspaper of this size can be established in such a manner is because Mrs. DuTremblay and her staff already enjoy a wide respect in French-Canada.

The financial backing of the foundation will ensure that the paper will be a "solid voice of the people"; that it will maintain its spear-head position, and that the profits realized will go to further the advancement of Canada's French and English cultural evolution.

The appearance of the new paper will be in keeping with the smart, vivacious mood of French-Canada. Make-up of news and advertising will be more integrated than other papers currently published. The very latest layout ideas from Europe and North America will be incorporated, and the color-printing will be comparable with the acknowledged color leader in North America — the Milwaukee Journal.

Advertisers to receive personalized attention

"Advertisers will receive particular attention from our paper," Georges Robitaille, Director of Advertising, said recently. "Le Nouveau Journal's team has been instructed to give fair treatment and every consideration to our advertisers. In fact, I shall personally make a point of being available, at all times, to meet and discuss advertising problems with our clients," he said.

Initial circulation 100,000

Le Nouveau Journal is to be introduced with a guaranteed circulation of 100,000. It will be on street and newsstand sale in the city and district up to fifty miles radius and additional newsstand copies will be available in major Quebec centres. This profitable urban and suburban circulation area will soon enable Le Nouveau Journal to supply advertisers with verified readership figures.

Rate Card No. 1

Effective Sept. 5, 1961
Contracts subject to 60 days notice of increase.

Address: 980 St. Antoine Street,
Montreal, P.Q., Canada.
Telephone: UN. 6-4781

le nouveau journal
LE QUOTIDIEN NATIONAL DU CANADA FRANÇAIS

GENERAL ADVERTISING
Black and White Display (R.O.P.)
Per Agate line (14 lines to the inch)
Transient .... .40
1,000 lines or more .... .35
Minimum space, 14 agate lines

SPECIAL CLASSIFICATIONS
Appointment notices with photographs financial page. (Text subject to revision to conform to editorial style of Le Nouveau Journal) .... .80
Amusement (Movies, Theatres, Concerts) Net .35
Circus and Tent Shows .... Net 1.00
Sports-Indoors or Outdoors for entertainment — Minimum 56 lines .... Net .40
Political and Election Notices (cash in advance) ... .55
Financial Statements, reports of shareholders' or directors' meetings when set in reader's style ...... .45
(Contract rate applies when set in display)
Legal and Curator's Notices .... .35
Resorts and Hotels .... .35
Reader advertisements (carried under a double cut-off rule and marked "Advt.") .... .75

POSITION CHARGES
Minimum guarantee, R.O.P. — following reading by 1 column, alongside reading matter by ½ depth of advertisement — 25% extra. Specified page — 25% extra — minimum space 50 lines. No advertising on first or editorial page. Front page of a section, limited space — 50% extra. Wholly following and alongside reading matter 50% extra, Page 3 — 50% extra. Maximum depth on page 3 — 100 lines, minimum 28 lines, double column. Special contract and copy regulations required for all advertising on page 3.
(Positions charges based on applicable rate.)

COLOR ADVERTISING Available Daily	B/W 1c 600 lines min.	B/W 2c 1,000 lines min.	B/W 3c 1,000 lines min.
1 page	$935.00	$1,010.00	$1,085.00
1,500 lines	620.00	695.00	770.00
1,000 lines	445.00	520.00	595.00
600 lines	305.00		

B/W 1c— $95 flat, 4-day reservation.
B/W 2c—$170 flat, 10-day reservation.
B/W 3c—$245 flat, 10-day reservation.

COMIC STRIP ADVERTISING
Subject to special negotiation.
Comics appear as part of regular paper daily.

COLOR WEEKLY COMICS SUPPLEMENT
Advertising rates on request.

MINIMUM & MAXIMUM PAGE REQUIREMENTS
Front page of section — limited space — maximum depth 100 lines.
Page 3 — Maximum depth 100 lines, double column — Minimum 28 lines, double column.

RESERVATIONS & CLOSING
Closing Time — Black and White advertising 5 p.m. for all mats, plates and copy on day before insertion.
For Monday's issue 12 noon, Saturday preceeding.
Color Advertising — B/1c — 4 days reservation. 2 working days deadline for material — non-cancellable.
B/2, B/3c — 10 days reservation, 5 working day deadline for material.
Reservations — accepted on a "when available" basis although publication will be as close as possible to date desired.

MECHANICAL REQUIREMENTS
Column width 11 ems — depth 300 lines. Full page type space, 14⅞ inches by 21½ inches. 8 cols. to page. Half-tone screen required-60. Any advertisement in excess of 280 lines will be given full depth of column (300 lines) and charged accordingly.
If any hand-drawn lettering is desired re-drawn in French an additional charge for artwork and engraving will be made at the standard scale.

TERMS OF PAYMENT
15% to accredited agencies; cash discount 2%, 20th of following month. No commission or cash discount on retail accounts, amusements or auction sales.

MISCELLANEOUS
The publisher reserves the right to increase the rate stipulated herein at any time on 60 days' notice in writing. The advertiser reserves the right to cancel at any date upon which higher rates are made effective by the publisher. Furthermore, should publication of this paper be restricted or curtailed in any way, the rate quoted herein and the amount of space contracted for, as well as the size, location and value of the advertisement shall be subject to review or regulation by the publisher at any time without notice. No contracts made for a period exceeding 12 months. Contest advertising to include publication results.
The advertiser agrees that the publisher shall not be liable for damages alleged to arise from errors in advertisements beyond actual amount paid for space used by the part of advertisement containing error, regardless of onus of blame for such error; liability not accepted. Co-operative advertising accepted with 3,000 line prerequisite national campaign.
Contingent orders not accepted.
Night club and liquor advertising accepted.

Jean-Louis Gagnon
Vice-President and Editor-in-chief.
An editor-in-chief at 26, he has been a foreign and special correspondent, and head of Agence France Presse in Washington. He is a well-known radio and TV commentator.

Georges Robitaille
Director of Advertising.
Well-experienced in all branches of advertising, sales promotion and market research. Vice-President of Le Publicité-Club de Montréal, and member of Advertising and Sales Executive Club.

Gustave Lafontaine
Assist. General Manager and Secretary.
As a young man he spent many years in banking. Subsequent experience included positions as newspaper Financial Editor, Assistant News Editor and Managing Editor.

Basil D. Brown
Toronto Office Manager.
Well-known in Ontario through wide experience in all forms of advertising managership, both in the classified and national fields.

Jacques Belanger
Treasurer and Associate General Manager.
A Chartered Accountant and authority on corporate finance. Has considerable experience in newspaper publishing administration, and is a member of the board of several well-known companies.

le nouveau journal
LE QUOTIDIEN NATIONAL DU CANADA FRANÇAIS

The Financial Post

Vol. LV | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 19, 1961 | Twenty-five Cents an issue, Eight Dollars a Year | No. 33

How C-I-L and Du Pont Compare

	1960		1959		1958		1957		1956		1955	
	C-I-L	Du P	C-I-L	Du P	C-I-L	Du P	C-I-L	Du P	C-I-L	Du P	C-I-L	Du P
Sales ($ millions)	170.7	99.8	149.0	90.9	140.8	81.7	142.7	72.6	129.8	66.6	118.9	65.5
Net earnings ($ millions)	24.8	21.0	22.5	21.4	17.5	15.8	20.4	12.9	19.9	13.5	17.9	17.1
Cash flow ($ millions)‡	16.0	13.8	14.7	14.2	12.7	11.7	14.9	10.2	14.5	10.0	12.8	11.2
Net profit ($ millions)	6.6	6.8	6.2	7.2	5.2	5.2	8.7	4.5	8.6	5.0	6.5	6.4
Dividends ($ millions)	4.5	3.8	4.5	3.8	4.5	3.8	4.5	3.8	4.5	3.8	4.5	3.8
Net worth* ($ millions)	85.5	57.1	83.3	53.8	81.4	50.1	80.5	48.4	76.9	47.3	72.3	45.9
Capital expend. ($ millions)	8.1	6.6	7.0	10.4	11.6	11.3	15.6	14.7	17.4	11.3	14.9	3.9
Earnings per common ($)	0.74	0.92	0.70	0.97	0.58	0.70	0.98	0.60	0.97	0.67	0.73	0.86
Equity per common ($)	9.61	7.54	9.36	7.10	9.14	6.61	9.04	6.39	8.65	6.26	8.13	6.07
Dividends per common ($)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Price (High-Low) ($)	17¼-12½	26¼-19¼	20¼-15	29¾-19¼	18-15	22-16	20-15	22¼-16½	24-15	29¾-17	28¾-19⅝	30¼-24⅛
Price/Earnings (High-Low)	23-17	29-21	29-21	31-20	31-26	31-23	20-15	37-28	25-15	44-25	39-26	35-28
Profit per $ of sales (c)	0.04	0.07	0.04	0.08	0.04	0.06	0.06	0.06	0.07	0.07	0.05	0.10
Profit on Net Worth (%)	8	12	7	13	6	10	11	9	11	10	9	14

‡Represents net profit plus depreciation and income tax reserve

*For pref. and common

Seven Years After the Big Twin Birth

Here's what happened to Canada's separated chemical giants . . .

By AMY BOOTH

MONTREAL (Staff) — At the tender age of seven, the orphaned twins of the late **Canadian Industries Ltd.** are almost as big as their forefather.

Du Pont of Canada Ltd. and the new **Canadian Industries Ltd.** celebrated their seventh birthdays July 1/61. Their birth resulted from the death sentence handed down by the U. S. Federal Court whereby **Imperial Chemical Industries Ltd.**, of the U. K., and **E. I. du Pont de Nemours & Co.** were ordered to end their joint interests in Canadian Industries Ltd.

The court had decreed there was a contravention of the Sherman Act by restraining U. S. foreign trade.

Contriving a fair split of the $175 million total assets of the old C-I-L (with annual sales of more than $150 million and profits exceeding $10 million) into two new companies wasn't easy.

When the bisection plans were announced, many observers and minority shareholders wondered "Which twin will run fastest."

A few still ponder the question.

Nevertheless, in 1954 both were born into the front rank of the chemical industry in Canada. Both have maintained their status.

Comparing the performance of the independent youngsters' progress presents a confusing picture.

In the six full operating years:

- **C-I-L sales** have jumped 44%; Du Pont's 52%.
- **C-I-L cash flow** is ahead 25%; Du Pont's 23%.
- **Du Pont's** net profit is up 7%; C-I-L's 2%.
- **Du Pont's** net worth rose 24%; C-I-L's 18%.

Statistics in the accompanying table are compiled from companies' annual reports. They are not always strictly comparable.

Du Pont, for instance, claims for income tax purposes, capital cost allowances in excess of amounts shown in accounts.

The resulting difference between income tax paid and charged is reserved for taxes payable in future years. At the end of last year, this reserve stood at $5.5 million.

C-I-L followed this procedure in 1954 and 1955 but not subsequently, although the reserve of $2.7 million is maintained.

This different treatment by the two companies somewhat distorts the comparisons of net profit, net worth, per share earnings, per share equity, price/earnings ratio, profit per dollar of sales and profit on net worth.

The picture is further clouded by the reticence of both offspring. This trait was inherited from their forefather.

Latest Look

How Firms Fared in Six Months to June 30/61

	C-I-L	Du Pont
Sales	$88.3 million (down 3%)	$53.6 million (up 8%)
Net profit	$3.5 million (down 22%)	$4 million (up 9%)
Earnings per share	39c (51c)	54c (50c)
Recent market price	$15⅝	$25⅝
Price/Earnings	21.08	27.82
Dividend rate	50c	50c
Yield	3.20%	1.95%

C-I-L

C-I-L was born with 21 plants, 6,100 employees and rights to sell all the old company's manufactured products except nylon, Cellophane, polyethylene sheeting and cellulose sponges.

It also inherited the exclusive use of the C-I-L trademark.

Today it has 27 plants and some 8,000 employees.

Though C-I-L lost its textile interests in the split, it quickly moved back into this line with production of Terylene at a new $22 million Millhaven, Ont., plant.

Company's actual product mix is a closely guarded secret, but the Terylene business is steadily increasing in importance.

Back in the 1920s explosives accounted for most of the sales of the old company. Its importance as a sales generator has since declined substantially. Currently it is experiencing a major "blow".

Mixtures of ammonium nitrate and fuel oil prepared on the site are gaining wide use as blasting agents. These low cost agents have made such serious inroads into company's high explosives market that the nitroglycerine operation at the James Island, B.C., plant has been closed and production curtailed at others.

But most other divisions continue to grow.

After doubling the capacity of the polyethylene plant in Edmonton, the company acquired **Mastex Industries** in 1959. Last year saw the completion of the film manufacturing and converting plant at Brampton, Ont., and the purchase of **R. D. Cattermole Ltd.** and **M. & D. Industries Ltd.** These are B. C. firms, one a film converter and the other a film extruder.

A larger share of the paint market was picked up by the acquisition of **Brandram-Henderson Ltd.** early last year.

Over the years, the chemical division has added a new ammonia plant at Millhaven, a hydrogen peroxide plant at Hamilton, and sulphuric acid plants at Copper Cliff, Ont., and Beloeil, Que., as well as expansion of facilities at Cornwall, Ont. The former hydrogen peroxide plant at Shawinigan Falls was closed.

C-I-L has recently doubled polyethylene capacity at Edmonton.

In large part, C-I-L is a supplier to other industries so its fortunes often rise and fall with theirs.

Last year, for example, sulphuric and nitric acid sales were curtailed by the stretching out of uranium contracts.

Compound fertilizers were hit by poor weather during the planting season in Ontario.

For the first half of this year, over-all sales were down 3% and net profit off 22%.

Company officials see little reason to expect any improvement in the second half over last year.

If predictions are correct, this could reduce earnings per share to 62c from last year's 74c.

The Score Sheet

In six full operating years:

- **C-I-L sales have jumped 44%; Du Pont's 52%.**
- **C-I-L cash flow is ahead 25%; Du Pont's 23%.**
- **Du Pont's net profit is up 7%; C-I-L's 2%.**
- **Du Pont's net worth rose 24%; C-I-L's 18%.**

Du Pont

In terms of number of plants and employees, Du Pont appeared to start out as the somewhat less than identical twin.

But its 3 plants operated by some 3,000 employees included the largest single project ever undertaken by the old C-I-L.

Du Pont inherited the $32 million combined Maitland, Ont., nylon intermediates plant and the nylon yarn and staples plant at Kingston, Ont. Nylon, which established its reputation during and immediately following the war continues to represent a major part of Du Pont's business.

Investors seem generally willing to pay a higher multiple of earnings for Du Pont stock.

Because the dissection of the old company was made on the basis of products, the wrench was less painful than it might otherwise have been.

Over the years Du Pont diversified into a number of lines it failed to inherit.

▸ **Chemicals department** is now operated out of Maitland, Kingston, Sarnia and Ajax, Ont. Automotive finishes, fluorinated hydrocarbons, polyethylene resins, hydrogen peroxide and hydrochloric acid are among its products.

▸ **Explosives plant** was built near North Bay, Ont.

▸ **Polyethylene film plant** was opened early in 1959 at Whitby, Ont., replacing a Shawinigan Falls' plant.

▸ **An Orlon acrylic fibre plant** was opened at Maitland in 1957.

Unlike C-I-L, Du Pont's net profit jumped nearly 9% in first half of this year on an 8% increase in sales volume. It expects a "good" second half.

While the whims of the investor are virtually impossible to fathom, Du Pont's name and the Duco, Dulux and Du Lite trademarks, better known in the U. S. than C-I-L, may still have some bearing on the relationship of the prices of the two stocks.

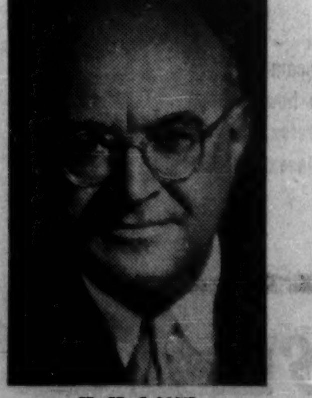
Du Pont's high-low range has been consistently higher than C-I-L's. Its all-time high of $30¼ was reached in 1955 and it dropped to a low of $16 in 1958.

C-I-L, on the other hand, hit its high of $28¾ in 1955 and fell to a low of $12½ last year.

Both companies maintain their own research facilities. Both also benefit from the extensive research undertaken by their parents, Imperial Chemical Industries and E. I. du Pont de Nemours.

C-I-L, the more outspoken of the two companies, told **FP** funds spent on research had increased every year since 1954. In 1960, these totaled $4.5 million.

C-I-L now is building a $3.5 million research laboratory at McMasterville, Que. When completed in 1962, C-I-L's investment in research and technical service laboratories will approximate $12 million.



H. H. LANK
President,
Du Pont

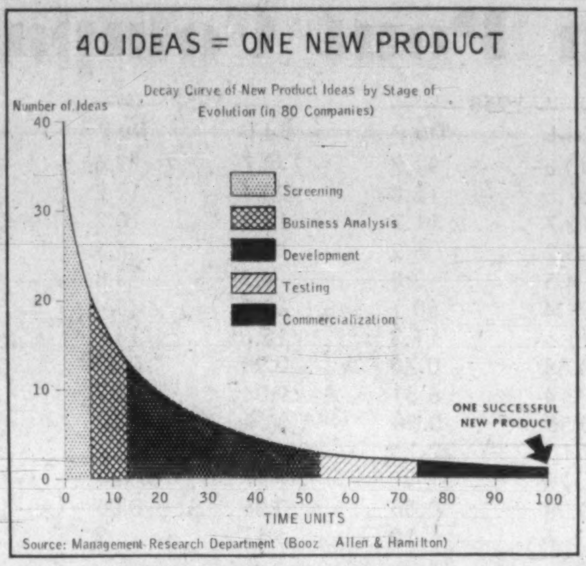
When the bisection plans were announced, many observers and minority shareholders pondered "Which twin will run fastest?"

P. C. ALLEN
President
C-I-L

Here Are Some Answers To Key Marketing Worries

Will new products pull your firm up? Why do some new products fail? What are research reports worth?

Here's what leaders at the third annual Foster Marketing Management Seminar had to say during discussions at Hart House, University of Toronto:



Source: Management Research Department (Booz Allen & Hamilton)

You Can't Delegate Product Selection

"In the next three years, the sales of products not manufactured today should account for the major share of the expected increase in industrial production and sales".

This prediction was made by **DR. C. WILSON RANDLE,** partner in the management consulting firm of **Booz-Allen & Hamilton,** Chicago.

He emphasized that top management cannot delegate the responsibility of new product selection and programming, and gave a word of warning about new product departments.

Such departments could not be regarded as a cure-all. When efficiently run they were very successful, but the most common failing in the unsuccessful departments was the inability to plan intelligently and thoroughly how the department was to be run.

Second most common failure—staffing the top position with a man of inadequate experience or prestige to gain the cooperation and support necessary.

RANDLE

RITTENHOUSE

LAZO

HARDY

CHOWN

BECKETT

CASWELL

BURSK

To Much Reliance On Research Reports?

DR. MARGUERITE RITTENHOUSE, president of **Rittenhouse Research Co.,** New York, said that both big and small companies have failures in launching new products — even those that are well managed.

Management could put too much emphasis on research reports.

"The market research director of one large food company told me his problem was not with the research itself, but that management sometimes treats research reports as infallible."

Sometimes, after large amounts of time and money had been spent on development of a new product, a firm questions research reports that might indicate poor results of the product in the test market.

"This is human nature because of what is at stake, thousands of manhours, hundreds of thousands of dollars, poured into something that appears hopeless."

Managements must remember that research reports are not infallible, and they should be put in proper perspective — as guides. They should not be substituted for thinking through the problems.

Mathematical Approach Starts With End Result

B. B. GOODFELLOW, manager, product & marketing planning, **International Business Machines Co.,** Toronto, said:

"One of the advantages of an analytical or mathematical approach to business problems is that we can start with desired results and find out what the input must be", he explained.

This was a controlled experiment — with known cost — as opposed to an expensive marketing program.

What Should Be In Marketing Program

DR. HECTOR LAZO, professor of marketing, Graduate School of Business Administration, New York University, said that an effective marketing program depended on:

- Adequate information.
- Available alternatives.
- Analysis of the consequences of these alternatives.
- Measuring progress and adjustment to change.

"Where a detailed marketing program seems too complicated or too costly, many marketing managers fall back on the time-honored method of relying on their intuition, experience and common sense", says Lazo.

"In many instances this has proved to be very successful".

"However, we think that planned programs are safer, reduce the risk, and promise greater returns."

The Brand Name Builds Confidence

HUGH S. HARDY, president of **Universal Marketing Research,** New York, said that familiarity with a brand name — by the consumer — is sufficient to build confidence in the quality of the product. Some advertisers could rely on such familiarity to sell their product.

But advertising must also shape desires and motives, build belief, and provide reasons for the selection of one brand over another.

The most fruitful advertising research is strongly associated with consumer or product research.

Seeing 100 Packages Each Minute

DR. EDMUND FAISON, president of **Visual Research Corp.,** Chicago, said that in the average supermarket store there were between 5,000 and 7,000 separate packages on the shelves. A housewife walking down the aisles is therefore exposed to more than 100 packages a minute — emphasizing the importance of effective packaging.

There are four elements in packaging products:

- **Mass Display Impact**—make the package stand out on the shelf;
- **Content Communication** — ensure that it adequately communicates what's inside;
- **Psychological connotation** — make sure that the things not written on the package tie in with the rest of the marketing strategy;
- **Functional Aspects** — is the package easy to open and use?

Six Ways to Turn Ideas Into Action

E. B. CHOWN, executive partner of **Woods, Gordon & Co.,** Toronto, said too much was at stake, when a company decides to bring out a new product, for a professional manager to rely on intuition or a sense of feel."

He estimates that over 90% of the business textbooks written in the last 10 years are out of date, and said it was essential for businessmen at all levels to keep up with modern merchandising trends.

He warned against getting into new product development until all the money-making ideas on existing products had been exhausted.

He gave these six guides for turning ideas into action:

- Have clearly written objectives;
- Provide top-level support and direction;
- Assign definite responsibilities;
- Set a realistic time schedule;
- Make thorough and unbiased appraisals regularly;
- Provide follow through.

Chown added a seventh — don't lose heart if an idea does not always bear fruit.

Don't Become Wedded to Forecast

W. ALLAN BECKETT, president of **W. A. Beckett Associates Ltd.,** Toronto, said that the development of sales forcasting must be regarded as a coordinated function.

He said that a forecast was never perfect — the future was always uncertain — and urged his listeners not to become wedded to a forecast.

If events showed that the forecast was not on the rails of reality — switch to a more realistic approach.

How Computers Can Help Marketing

P. J. CASWELL, manager, technical services, UNIVAC, **Remington Rand Ltd.,** Toronto, described what a computer can contribute to the marketing function.

"Computers with large capacities are able to do clerical functions and make a wide range of decisions," he said.

Such a computer can actually replace an entire process, and assist management in the study of the overall operation.

Sales forecasting by trend analysis, and the analysing of the advertising effort are possible with a computer.

Top Management Must Play Part

EDWARD C. BURSK, professor of business administration, Harvard Business School and editor of the Harvard Business Review, emphasized that top management must take a bigger part in making marketing decisions.

He thought marketers of industrial products must adopt more of the methods of the consumer product manufacturer if they are to maintain and increase sales.

Bursk said that, next to setting objectives, the skillful evaluation of results was the one big job that management needed to do — a job he thought management failed to do.

CHUBB MAKES ALARMS

In the article on burglar alarm systems and equipment (**FP**, Aug. 12) **Chubb Safe Co.,** Toronto, was omitted as a manufacturer of burglar alarms. Chubb is a large supplier of this equipment, and its products are approved by Underwriters' Laboratories of Canada.

Computer Judges Your Golf, Flashes Drives, Books Hooks

Now golfers can practice drives, and correct their errors, year round by computer.

A U.S. firm, **Electronic Recreations Inc.,** St. Louis, Mo., is producing and selling the device called an electronic golf computer.

With the device, a tiny driving range is created in a 9 ft. by 14 ft. area.

When you connect with the ball, a series of lights on a console next to the tee tick off each 10 yd. of your drive. You get a special flash at 100 yd., again at 200 yd. Your drive would be recorded up to 340 yd.—"if anyone can hit that hard," E. H. McQuiddy, the inventor and company president, told **FP** from New York.

Slices and hooks are recorded too.

A big selling feature, says Irving Silverman, vice-president, is the coin-operated device attached to the unit.

"For 25c, the golfer can sock the ball for five minutes."

So, he says, the first two month's production barely has kept pace with order coming from motels, bowling alleys, amusement centres, golf and country clubs.

What about orders from Canada?

"Glad to get them. We'll try to handle them promptly, although our main task is to try to solidify the U.S. market first."

He says it's too early to talk about Canadian production.

Price of the unit is US$1,995, with commercial operations buying for US$1,495 in the U.S.

That means a Canadian buyer, after paying duty and sales tax, will pay at least C$2,000.

McQuiddy claims the golf computer is "bug proof" since he's been operating the device on a limited scale for five years, and it has been "thoroughly tested" by golf pros.

Silverman says it took a man like McQuiddy, who is a marketing expert, "to make this kind of application click."

One of the marketing ideas: Electronic Recreations has developed a nine-hole game, for four, five, six players, men or women, to be thrown in with the deal and, says Silverman, "it will add more zest to playing on the miniature, computerized driving range."

CANADIAN UNDERWRITER APPROVED
GRADE 'A' BURGLAR ALARMS
BY
CHUBB
LARGE SCALE SUPPLIERS TO CHARTERED BANKS, TRUST COMPANIES AND COMMERCIAL HOUSES
YOU CAN RELY ON
CHUBB
Sentinels of Security Since 1818

put this communications consultant to work...free!

He can show you how to:

- Reduce communications overhead.
- Cut long-distance communications costs.
- Speed up and improve information flow to customers and branches.
- Get the jump on competition—through improved communications.
- Reduce costly errors and misunderstanding.

Your consultant is backed by the experience of Canada's great Telecommunications team—the team that serves all Canada. He can show you how Teletype, Telex, Telegrams, Integrated Data Processing, Facsimile, Wirefax, Telemetering and other communications systems can help in your business.

Call your Canadian National—Canadian Pacific consultant for a free analysis of your business communications needs.

CANADIAN NATIONAL TELECOMMUNICATIONS CANADIAN PACIFIC

There's Still Chance to Get a Degree

Most Universities Offer Night Classes

By LESLIE WILSON

OTTAWA (Staff)—If you missed college, or if you attended for a year or so and never completed your course, you might make plans for picking up that missing degree now.

College registrars across the country are getting ready to deal with the fall rush of students. Now is the time, therefore, to discuss your educational ambitions with them.

Almost all Canadian colleges offer night classes at which it's possible to rack up credits for a Bachelor of Arts degree. At some, you can take night courses leading to a Bachelor of Commerce degree.

A few give courses by mail which can be credited against these degrees.

Non-credit courses (that is, those which don't count toward degrees) helpful in many lines of business are also given by many colleges.

Holding a daytime job and earning degree credits via night classes isn't easy.

Sixteen courses are commonly required for a B.A. or B.Comm. degree. The average person who earns one takes about seven years to accumulate the credits, although some manage it in as little as four.

The fees: $50 to $75 a course—$800 to $1,200 for the degree.

The usual B.A. courses are English, history, economics, philosophy, psychology, a science with laboratory work; plus a language. For a B.Comm., courses in economics, accounting and business administration are emphasized.

Some colleges have a residence requirement for a degree—they are happy to have a student take most courses extramurally, but require him to spend some weeks, at some point during his training, actually attending university.

Others don't have this bar. At Carleton University, Ottawa; Loyola, Montreal; St. Mary's, Halifax; St. Patrick's College, Ottawa; and United College, Winnipeg, you can earn a B.A. entirely by extramural courses.

At the colleges which have an attendance requirement, a summer session may do the trick. You could take most of your degree courses by evening classes, then finish up with a six-week summer session—if you can take that much leave of absence from your job.

Pick College Here

Canadian Colleges Offering Courses Outside Regular Sessions

College/University	Evening Classes, Winter	Summer School	Correspondence Courses
Acadia	X	X	X
Assumption	X	X	—
Bishops	—	X	—
Brandon College	X	—	—
U. of British Columbia	X	X	X
Carleton	X	X	—
Dalhousie	X	—	—
Laurentian (Sudbury)	X	X	—
Laval	X	X	—
U. of Manitoba	X	X	X
McGill	X	X	—
McMaster	X	X	—
Memorial (St. John's, Nfld.)	—	X	—
Montreal	X	X	—
Mount Allison	X	X	X
Mount Saint Vincent College	X	X	—
Ontario Agricultural College	X	—	X
Ottawa	X	X	X
Queen's	—	X	X
U. Sacre-Coeur	—	X	—
St. Dunstan's	—	X	—
St. Francis Xavier	—	X	—
U. St.-Joseph	X	X	—
Saint Mary's	X	X	—
Saint Patrick's College	X	—	X
St. Thomas	X	X	—
U. of Saskatchewan	X	X	X
Sir George Williams	X	X	—
U. of Toronto	X	X	X
U. of Waterloo	X	—	—
U. of Western Ontario	X	X	X

Most Canadian colleges recognize teaching given elsewhere. If you have previous attendance at some college, another college might credit you with this, and give you extramural courses, and a degree, without a further attendance requirement.

Perhaps you're interested in bettering your qualifications along some specific line, rather than in the long grind required for a degree.

If so, you might look into the "non-credit" courses offered by your nearest university.

Here are examples:

- **McGill, at Montreal, gives a** variety of engineering courses, including mathematics, hydraulics, mechanics and strength of materials.
- **McMaster, at Hamilton, gives** certificates in business, credit union administration, office and personnel management and retail administration.
- **University of New Brunswick,** Fredericton, gives courses in business administration and social work, and in some engineering subjects; in buying and building your own home, and in personal finance.
- **University of Toronto** offers classes in a wide variety of business subjects as well as a three-year evening course in business leading to a certificate.

Beside these colleges, the following institutions offer night courses in some aspect of commerce or business administration:

Assumption (Windsor), Laval (Quebec), Carleton, St. Mary's, Ottawa, Sherbrooke, Sir George Williams (Montreal), Waterloo (Waterloo, Ont.), Western Ontario (London).

Entrance requirements for night courses vary considerably.

Most colleges will enroll almost any mature adult who appears suitable and interested in any non-credit course.

For credit courses leading to a degree, the entrance requirement is commonly the same as that required for regular daytime courses—junior matriculation in the Maritimes and Western Canada, the high school leaving certificate in Quebec, and senior matriculation in Ontario.

Some colleges are quite flexible in their admission policies, even for degree courses.

Toronto, Mount Allison, Queen's, Ottawa and Carleton will enroll mature persons—regardless of academic training—who they think can benefit from a university education, and who will undertake to make up the subjects lacking.

Westcoast Has $514,856 Profit

Westcoast Transmission Co. had a net profit of $514,856 in the three months ended June 30/61 (net loss of $40,736 in same period last year).

"Our gas sales, as well as our revenues, are steadily increasing," President Frank M. McMahon told the annual meeting.

"In the first quarter of this fiscal year company's earnings were nearly three times as large as our net profit during all of last year."

McMahon forecast that earnings will rise sharply in the second half of this fiscal year, ending Mar. 31/62.

First-quarter earnings accrued from average daily sales of 301 million cu. ft. during April, May and June which are "the comparatively slack months for gas sales."

Company's sales will increase to approximately 420 million ft. per day through the winter months, McMahon said.

Westcoast shares are now traded on the Montreal, Toronto and Vancouver Stock Exchanges.

ANNOUNCEMENT

SIMPSON APPOINTMENT

JAMES S. BRYANT

James S. Bryant has been appointed assistant general manager of the Toronto Store of The Robert Simpson Company it is announced by G. Allan Burton, vice-president and managing director of Simpsons, Limited.

Mr. Bryant for the past seven years has been general manager of the Halifax Store and has had fourteen years service with Simpson's, joining the Company's Montreal Store after serving with the Wartime Prices and Trade Board for four years.

He is a director of The Robert Simpson Company Limited.

Mr. Bryant was vice-president for Nova Scotia of the Atlantic Provinces Economic Council and he is a past president of the Halifax Branch of the Canadian Red Cross Society.

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THE BRITISH EMPIRE ASSURANCE COMPANY

NOTICE is hereby given that The British Empire Assurance Company has received from the Department of Insurance, Ottawa, Certificate of Registry authorizing it to transact in Canada the business of:

MACHINERY INSURANCE

in addition to the classes for which it is already registered.

Dated at Toronto, this 18th day of July, 1961.

W. G. CHAPMAN
Secretary.

THE BRITISH AMERICA ASSURANCE COMPANY

NOTICE is hereby given that The British America Assurance Company has received from the Department of Insurance, Ottawa, amended Certificate of Registry authorizing it to transact in Canada the business of:

FIRE INSURANCE,
ACCIDENT INSURANCE,
AIRCRAFT INSURANCE,
AUTOMOBILE INSURANCE,
BOILER INSURANCE,
EXPLOSION INSURANCE,
FORGERY INSURANCE,
GUARANTEE INSURANCE,
INLAND TRANSPORTATION INSURANCE,
LIMITED HAIL INSURANCE,
MACHINERY INSURANCE,
PERSONAL PROPERTY INSURANCE,
PLATE GLASS INSURANCE
REAL PROPERTY INSURANCE,
SICKNESS INSURANCE,
SPRINKLER LEAKAGE INSURANCE,
THEFT INSURANCE,
WINDSTORM INSURANCE,

and, in addition thereto,

EARTHQUAKE INSURANCE,
FALLING AIRCRAFT INSURANCE,
IMPACT BY VEHICLES INSURANCE,
WATER DAMAGE INSURANCE,

and

WEATHER INSURANCE,

limited to the insurance of the same property as is insured against the risk of fire under a policy of the Company.

Dated at Toronto, this 18th day of July, 1961.

W. G. CHAPMAN, Secretary.

THE IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY OF CANADA

NOTICE is hereby given that The Imperial Guarantee and Accident Insurance Company of Canada has received from the Department of Insurance, Ottawa, Certificate of Registry authorizing it to transact in Canada the business of:

MACHINERY INSURANCE

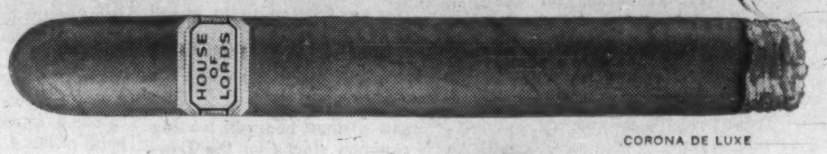
in addition to the classes for which it is already registered.

Dated at Toronto, this 18th day of July, 1961.

W. G. CHAPMAN,
Secretary.

House of Lords

with select Havana tobacco



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FP reports on U.K. BUSINESS

Dividend Restraint Working, But Some Firms Defy Appeal

From Our Own Correspondent

LONDON — With a few exceptions, public companies seem to be taking to heart Chancellor Selwyn Lloyd's appeal for restraint in the payment of dividends.

Several companies which would have been justified in paying more have decided not to do so, while others have made smaller increases than the upward trend of net earnings would have allowed.

John Brown, despite the depression on the shipbuilding side, made a larger profit in its last fiscal year, but is holding the dividend at the previous year's rate. The total payment is almost three times covered.

The group's machine tool and engineering interests continue to do well, but the directors have evidently been anxious to avoid any action which might encourage claims for higher wages. Moreover, the results of the shipbuilding side are certain to deteriorate, unless there's a near-miracle.

A defiant attitude on the dividend question has been taken by **Scottish & Newcastle Breweries.** The chairman, McEwan Younger, says any suggestion stockholders are not entitled to look for reasonable dividend increases is "quite inequitable."

He says his company's policy is to base expansion on large-scale investment calculated to give a good return, and to offset rising costs as far as possible by modernization and increased efficiency.

He also says a thriving economy cannot result from restriction of growth and discouragement of success. The company's own stockholders are getting a larger dividend out of higher profits.

* * *

Difficulties facing the U. K. shipbuilding industry are highlighted in the annual report of John Brown.

Lord Aberconway, the chairman, says prospects of ship orders are poor. The Clydebank yard is underemployed and has only two ships on order whose keels have still to be laid.

It is against this background that the company has submitted its tender for the new "Queen" liner to replace the Queen Mary. This has been put in at a figure that will not be profitable if Clydebank gets the contract.

With four other shipbuilders tendering for the job, competition will be intense. It could be that whoever builds the ship will do so at a loss.

The John Brown view is that unless the "Queen" contract is obtained it will be impossible to maintain continuity of employment and hold together Clydebank's skilled labor force. Even on an unprofitable basis, the yard would be better off with the order than without it.

Total cost of the new vessel is expected to be about £30 million, toward which the government will contribute a maximum of £18 million in loans and grants.

Tenders have also been submitted by **Cammell Laird, Harland & Wolff,** and **Fairfield Shipbuilding & Engineering,** and a combined bid has been entered by the **Vickers** and **Swan Hunter** yards on Tyneside.

A decision is expected early in October, and the new liner should be delivered in early 1965.

* * *

Bowater Paper Corp. is taking a further step in its development plan for Continental Europe with the acquisition of a controlling interest in **Europea S.p.A.,** of Rome, which produces a wide range of packaging materials.

The new acquisition complements Bowater's earlier development in Italy where, in Genoa, a corrugated case plant was acquired about two years ago. It also follows pattern already established in the northern sector of the Common Market, where Bowater has similar plants.

Now to be known as **Bowater Europea S.p.A.,** the new company is one of the largest of its kind in Italy and has 700 workers operating a plant of about 400,000 sq. ft. Among its products are aluminum tubes and aerosols, made primarily for the pharmaceutical industry.

With about $34 million already invested in the Common Market, Bowater is strengthening its position in this key economic area, ahead of negotiations for U. K.'s membership.

* * *

The first week in August saw a small boom in leading common stocks on the London market, but prices soon went into reverse again and investors now seem more inclined to face economic realities.

The flare-up in equities arose from the passing of the Trustee Investments Act, which allows up to 50% of trust funds to be invested in stocks. There was switching into equities both before and after the bill became law.

But speculators who were hoping for a ride on the band-wagon of trustee buying have been disappointed. Trustees have shown they intend to take their time in re-investing.

The rise in equities and accompanying fall in bonds was a signal for some shrewder investors to do a reverse switch. There has since been a sharp rally in bonds, while equities have dropped back on lack of support.

With the government apparently determined to make its deflationary policies work, buyers of bonds at last have some tangible encouragement.

Flat yields on irredeemable government bonds have lately ranged up to 7% and, although the 7% U. K. Bank Rate may remain for some time, the next move will presumably be downwards.

Business profits have become harder to earn and with dividend restraint being urged by the government, equities have lost some of their earlier attraction.

U.K. Share Prices Down As Buying Interest Lags

Special Correspondence

LONDON — A rally in government bonds and a slide in leading equities has been a feature of London markets.

There has been good buying of bonds on yield considerations, though profit-taking has pared some of the gains.

Lack of sustained buying interest rather than any heavy selling has caused a recession in industrial share prices. Although trustees are now empowered to switch from bonds into equities, there has been no rush to do so (FP, Aug. 12).

Mining shares have been quietly irregular and oils mainly dull. Shipping shares improved slightly on reports of a hardening of tramp freight rates, but the movement lacked follow-through.

The Financial Times equity index, which recently moved up to 328.6, against the year's low point of 301.4, has since dropped back again to around 313. The 1961 peak, attained on May 15, was 365.7.

With the government deliberately keeping credit tight, and with fixed-interest borrowing expensive, it seems likely that there will be many more rights issues of ordinary stock over the next few months.

These can be expected to restrain equity markets, but should also provide attractive buying opportunities for the long-term investor.

Here are recent Canadian prices on leading securities:

(Supplied by Wisener, Mackellar & Co., Toronto)

	Recent Bid	Recent Ask	Aug. 8 Bid	July 17 Bid
INDUSTRIALS:	$	$	$	$
Bowater Paper	7⅝	7⅞	8	7¼
C.P.R. 4% n.c. pref.	1.62	1.67	1.60	1.58
Courtaulds	5	5½	5⅜	4¾
Daily Mirror 'A'	1⅞	2⅛	1¾	1½
Hawker Siddeley	4¼	4⅝	4⅜	3⅞
Hudson's Bay Co.	25	25½	25	23¾
Imperial Chemical	10¼	10½	10½	9½
MOTORS:				
British Motor	1⅞	2⅛	2	1⅞
Jaguar	10¾	11¼	11⅛	9½
OILS:				
British Petroleum	6⅜	6⅞	6⅝	6¼
Shell Trans. & Trading	17⅛	17⅝	17¾	16¾
Royal Dutch	32¼	32¾	33¾	32¾
STEELS:				
Colvilles	7¾	8¼	7⅞	7½
Dorman Long	4	4½	4½	3¾
Steel Co. of Wales	4¾	5¼	5⅛	4⅞
Stewarts & Lloyds	5⅞	6⅜	6⅜	5⅝
John Summers	6¼	6¾	7⅞	6½
United Steel Cos.	5½	6	6	6¾
SOUTH AFRICAN:				
Free State Geduld	11½	12	11½	10½
President Brand	7⅜	7⅞	7½	6½
Blyvoors	3.55	3.85	3.45	3.35
GOVT. BONDS:	$ per £100			
Convers. 5/71	250	255	250	251
Transport. 3/78/88	156	159	154	158
Victory. 4/76	265	268	266	270
War 3½ Perpetual	147½	150½	145	148

IAC Profit Up 1.9% In 1st Half

MONTREAL (Staff) — Net profit of **Industrial Acceptance Corp.** for six months ended June 30/61 rose 1.9% to $5,625,331 from $5,520,515 a year earlier.

Earnings per share were $1.80 ($1.83) on 2,878,911 (2,776,365) shares outstanding.

Earned income was up to $41.4 million from $38.5 million.

President J. H. Ranahan reported that receivables outstanding at June 30/61 were slightly higher than a year ago. Wholesale outstandings, mainly motor vehicle inventories, were 12% lower.

Ranahan pointed out that reasonable strength in the motor vehicle market following the introduction of new models, as well as general improvement in other markets, could maintain level of receivables at last year's level.

Earnings available for common shares in the second quarter were $2,783,668 or 96c per common share compared with $2,589,286 (93c) in the second quarter last year.

Here are comparative details:

Six months ended June 30:	1961	1960
	$	$
Net earnings	13,449,558	12,607,794
Less: Interest	1,986,588	2,001,951
Income taxes	5,837,639	5,085,328
Net profit	5,625,331	5,520,515

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FIRE — CASUALTY — SURETY — INLAND TRANSPORTATION

Company Reports

Hotels

SHERATON LTD., Montreal, consolidated net profit declined 3.2% to $965,955 in year to April 30/61.

Gross operating income declined 0.2% to $15.5 million.

Company has under consideration number of very substantial projects, President Ernest Henderson says.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1961	1960
	$	$
Gross income	15,527,324	15,557,091
Net earnings	3,202,458	3,295,910
Less: Depr.	830,103	847,261
Amort. fin. exp.	13,151	7,054
Bond int.	369,985	401,863
Income tax	1,023,264	1,042,377
Net profit	965,955	997,355
Less: Cl. A divds.	......	125,625
Surplus for year	965,955	871,730
Times Bond Interest Earned:		
Before depr. & amort.	8.66	8.20
After depr. & amort.	6.36	6.06
Shares o/s at:		
Class A, $20 par	167,500	167,500
Class B, n.p.v.	300,000	300,000

CONS. BALANCE SHEET—MAIN ITEMS

As at April 30:	1961	1960
Cash	$748,170	$298,395
Total curr. assets	1,877,470	1,407,981
Investments	3,571,709	3,740,961
Fixed assets*	12,917,807	12,973,345
Total assets	18,539,428	18,822,782
Total curr. liabs.	1,503,135	1,491,124
Def. income tax	55,169	59,392
Funded debt	7,220,503	7,978,600
Capital stock	3,650,000	3,650,000
Earned surplus	6,110,621	5,144,666
*After depr. of	9,858,214	9,104,656
Working capital	374,335	‡83,143

‡Excess of curr. liabs. over curr. assets.

Stationers

WILLSON STATIONERS & ENVELOPES LTD., Winnipeg, consolidated net profit declined 44.3% to $157,249 in year to April 30/61.

Sales throughout year showed modest decrease.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1961	1960
Net oper. inc.	$370,215	$524,026
Add: Other income	15,019	8,858
Net earnings	385,234	532,884
Less: Deprec.	79,015	77,584
Amort. of op. rts.	4,156	4,156
Income taxes	144,814	168,781
Net profit	157,249	282,363
Less: Pref. divd.†	6,518	12,180
Common divd.	100,000	75,000
Surplus for year	50,731	195,183

†Not including payments to subsidiary company of $178 in 1961, $220 in 1960.

Earnings per Share* & Dividend Record:		
Preferred‡	....	$116.97
Paid	$5.00	5.00
Common	3.01	5.40
Paid	2.00	1.50

*Based on number of shs. o/s in hands of public; common earnings calculated after deducting divds. on pref. shs. paid to public.

‡Redeemed in 1960.

Shares o/s as at Apr. 30:		
5% Pref., $100 par	......	2,414
Common, n.p.v.	50,000	50,000

CONS. BALANCE SHEET—MAIN ITEMS

As at Apr. 30:	1961	1960
Cash	$220,241	$473,902
Inventories	2,375,309	2,302,984
Total curr. assets	3,581,444	3,861,981
Invest.	282,759	302,588
Fixed assets*	775,913	804,491
Total assets	4,680,280	5,018,571
Total curr. liab.	480,738	584,734
Divd. reserve	......	24,800
Capital stock	275,000	316,400
Capital surplus	630,242	391,242
Contrib. surplus	39,309	37,908
Earned surplus	3,234,067	3,408,710
*After depr. of	971,038	903,590
Working capital	3,100,706	3,277,247

NOTICE

"Notice is hereby given that the Metropolitan Fire Assurance Company (of New York) has ceased to carry on business in Canada and having liquidated all of its liabilities in Canada will apply to the Minister of Finance for the release on September 22, 1961, of the securities on deposit with the Minister of Finance and that any Canadian policyholder or other claimant opposing such release should file his opposition thereto with the Minister of Finance in Ottawa on or before September 22, 1961.

Dated at Toronto, May 31, 1961,

A. G. Watson,
Chief Agent for Canada,
Room 1800,
4 King Street West,
Toronto, Ontario.

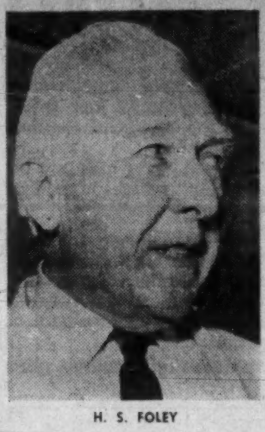
ANNOUNCEMENT

GORDON FARRELL

The Board of Directors of McLennan, McFeely and Prior Ltd., announce the appointment of Mr. Gordon Farrell as Chairman of the Board. Mr. Farrell is Chairman of the Board of the British Columbia Telephone Company and the Ocean Cement and Supplies Ltd., and is a director of a number of other well-known companies. Among these are Anglo-Canadian Telephone Company, British American Bank Note Company Ltd., B. C. Packers Ltd., The Canada Trust Company, Canadian Imperial Bank of Commerce, Consolidated Mining and Smelting Company of Canada Ltd. and MacMillan, Bloedel and Powell River Ltd.

ANNOUNCEMENT

THE UNION OIL COMPANY OF CANADA LIMITED



H. S. FOLEY

D. G. McCONNELL

W. C. RILEY

Reese H. Taylor, Chairman of the Board of The Union Oil Company of Canada Limited, announces the election to its Board of Directors of:

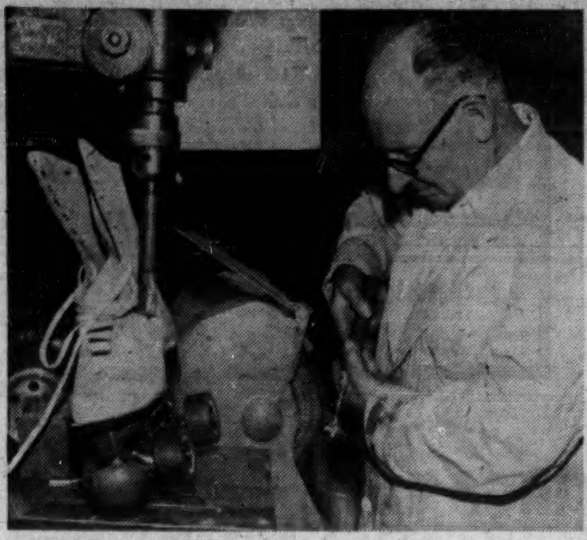
Harold S. Foley of Vancouver, B.C., vice-president and a director of Bank of Montreal, director of Great West Life Assurance Company, and very active in public and community affairs.

David G. McConnell of Montreal, Que., vice-president of St. Lawrence Sugar Refineries, Ltd., Montreal, and director of Bank of Montreal and other important Canadian enterprises.

W. Culver Riley of Winnipeg, Man., president of The Canadian Fire Insurance Company, The Canadian Indemnity Company, United Canadian Shares Ltd. and director of The Royal Bank of Canada and several other important Canadian enterprises.

HBC UPS CAPITAL

Shareholders of **Hudson's Bay Co.** approved increase in authorized capitalization from 7,000,000 to 15,000,000, £1 par, shares at an extraordinary general court in London, Eng. They also approved a bonus issue of one share for each share held as of Aug. 18/61. Rights offering, which closed July 21, allowing shareholders to purchase one additional ordinary share at C$18 for every 10 shares held, was 98.4% subscribed.



PRECISION ROLLER SKATES: James Foley, at the work-bench in the basement of his Toronto home, works on skates designed and built by himself.

He Skates His Way Into a New Business

By GAYLE QUINN

James Foley, spare-time tap dancer, thought it would be fun to dance on roller skates.

That impulse was the birth of the "55" Foley Freestyle skates, precision skates hand-built by Foley in his Toronto basement and known to professional and amateur skaters.

The skates have been built in Foley's spare time since he began making them 14 years ago.

Soon he will give up his job as painter and decorator and spend all his time making skates. They will be marketed through **W. H. Dunne Sales Co.** in Toronto.

The Foley skate began when he tinkered with his dancing skates, bought after he arrived in Canada from Glasgow in 1929.

He bought used bowling pins for 5c to 15c each and carved wheels from the wood.

He spotted flaws in skate design and construction when he began cleaning and repairing skates for the local arena.

Foley experimented with working parts of the skate and gradually acquired the machinery needed to make them.

Today Foley draws his own skate design, carves a wood pattern and has an aluminum cast made. From this he makes his skates.

Boots and wheels are imported from the U. S. "Wheels nowadays are so precisely made that it's cheaper to buy them," he says.

His skates sold for $78 when he first made them. The price now is $110, pushed up by material costs.

Precision of movement is the advantage custom-built skates have over ready - assembled models, he says.

"With a cheaper or looser-action skate there is more body strain on the skater.

"With a precision skate, any manoeuvre the skater desires is transmitted directly to the skate without loss of action or unnecessary fatigue to the skater."

Foley says a good precision-made skate should have three features: proper shoe fit; correct adjustment on the action screw, pivots and wheels; and perfect balance of the skate to the individual skater.

In 1958 Foley tried full-time skate manufacturing, acting as his own distributor and selling his models on credit. Some customers defaulted on their payments and he ended the year in the red.

No firm date has been set for his resumption of full - time skate manufacturing.

His profit on each pair of skates will be less when he markets them through a distributor, but sales will be greater.

He is preparing for full-time work by designing a new skate which he thinks is an improvement over the present model.

Aluminium's Sales Down, Net Profit Drops 30%

MONTREAL (Staff) — Consolidated net profit of **Aluminium Ltd.** for six months to June 30/61 was down 30.7% at $15,112,000. This was equal to 49c per common share (71c in 1960 first half).

Net profit for second quarter was $7,397,000, down 15.9% and equal to 24c per share (29c in 1960 second quarter).

Net profit, before payment of preferred dividends, of subsidiary **Aluminum Co. of Canada** in first half 1961 was $11,088,567, a decline of 21.3% over same period last year.

Consolidated sales and operating revenues of Aluminium Ltd. for the six months totaled $250.3 million ($255.8 million last year).

Other income, which includes $300,000 from non-taxable profit on redemption of debt, was $2.3 million ($8.5 million in 1960, including $1.2 million profit on debt redemption and $4.5 million non-taxable contract cancellation fees).

Consolidated sales of aluminum in all forms and from all sources of 172,000 tons in second quarter of 1961 were higher than first quarter sales of 159,000 tons. But six months sales of 331,000 tons were down from 360,000 tons sold in first half 1960.

While sales to regular customers in Canada, U.S. and several other countries are "showing encouraging improvements," sales in U.K. and Western Europe have declined so far this year, company says.

Total shipments to regular customers have been somewhat higher than in 1960, but spot sales to other buyers "have declined considerably."

Semi-fabricated product shipments are up in 10 of 15 countries where company has major fabricating activities, but decreases are reported in U.K. and Australia.

Aluminum smelter at Kitimat was closed in June when repairs to power tunnel at Kemano hydro-electric station were started. Company says repairs will cost $2 million, but both smelter and power plant should be operating normally in first week of September.

The Kitimat shutdown is not expected to cause any loss of metal sales during the period.

President Nathanael V. Davis says "the June reduction in foreign exchange value of the Canadian dollar will, if the current level prevails, have a favorable bearing on future earnings."

Here are comparative figures:

Six months to June 30:	1961 $	1960 $
Sales rev.	222,812,000	226,856,000
Add: Oper. rev.	27,510,000	28,958,000
Other income*	2,318,000	8,507,000
Less: Cost of sales, oper., selling, other expenses	180,545,000	184,528,000
Deprec. & deplet.	27,306,000	25,650,000
Interest	13,409,000	13,041,000
Inc. tax (current & future)†	14,173,000	17,433,000
Pref. divds. of non-sol. subs.	2,095,000	1,850,000
Net profit	15,112,000	21,819,000

*Includes $300,000 non-taxable profit on redemption of debt in 1961; $1.2 million debt redemption profit in 1960 and $4.5 million in taxable contract cancellation fees.
†Includes reserve for future income taxes of $600,000 in 1961; $7.6 million in 1960.

Calgary Power Profit Up 12%

Net profit of **Calgary Power Ltd.** rose 11.6% in 12 months to June 30/61 to $6,064,590, equal to $1.15 per common share ($1.03 for previous 12-month period).

Gross revenue was up 9% to $26.8 million. Figures are unaudited.

In fiscal year to Dec. 31/60, net profit was $6,246,259 or $1.09 per share.

Company says Province of Alberta has passed legislation increasing taxation on its property. It is expected new tax applicable from June 30/61 will amount to $500,000 for last six months of this year. This is not reflected in earnings statement.

Here are comparative figures:

12 months to June 30:	1961 $	1960 $
Gross revenue	26,774,971	24,553,038
Less: Oper. exp.	6,896,293	6,360,964
Depreciation	4,625,000	4,250,000
Income taxes	6,082,451	5,504,235
Interest (net)	2,571,637	2,468,285
Net profit	6,064,590	5,434,554

Northern Tel. Revenue Up, Net Off 4%

Northern Telephone Ltd., New Liskeard, Ont., net profit declined 4.05% to $238,867 in first six months to June 30/61.

This was equal to 12.4c per common share, compared with 14.5 cents in first half 1960.

Gross revenue was up 15.4% to $2,036,853. Lower net profit was due to considerably higher provision for income taxes — $138,215 ($107,053).

President D. McKelvie says business in first half continued at satisfactory levels. Financial statements reflect only three months' operations of newly acquired subsidiary **Téléphone d'Harricana et Gatineau Ltée.**

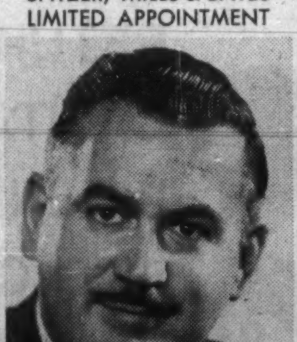
At June 30/61 company had 60,726 telephones in service, an increase of 6,269 for first six months and 7,507 more than were in service a year ago. These gains included 5,406 stations acquired with purchase of Téléphone d'Harricana.

Company says results of defence contracts worth more than $200,000 a year will not be felt until latter part of 1962. Further contracts are still being negotiated.

Six months to June 30:	1961 $	1960 $
Revenue	2,036,853	1,765,481
Less: Oper. expenses	1,145,786	1,009,233
Depreciation	376,389	323,900
Deb. Int. & disc.	137,596	76,352
Income taxes	138,215	107,053
Net profit	238,867	248,943

ANNOUNCEMENT

SPITZER, MILLS & BATES LIMITED APPOINTMENT



GEORGE E. CROSS

The Board of Directors of Spitzer, Mills & Bates Limited, Advertising Agency, Toronto, announce the appointment of George E. Cross to the position of Senior Vice-President.

Well known in the field of marketing and creative advertising, Mr. Cross has over twenty years experience in the advertising agency business and as director of advertising and sales promotion for two major corporations.

Mr. Cross is active in education and community affairs. As President of the American Marketing Association he has conducted courses in marketing through the Extension Department of the University of Toronto. He is Chairman of the School of Nursing and a Governor of Toronto East General Hospital.

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Education rubbed off on him

WHEN veterans began returning to the campus of McGill University after World War II, David Macfarlane, education reporter of The Montreal Star, asked one of them how he liked being back at school and received the blunt reply:

"It's hell."

One day, two decades after he had left school, Macfarlane decided to try it for himself and find out just how tough it was. Six years later, Mac, who previously had a year in science and a year in arts at McGill, won a BA degree from Sir George Williams University and four years later was awarded an MA degree in political philosophy from University of Montreal. And all this in his spare time.

"It was tough," Mac says with a grin, "but I certainly wouldn't go as far as that veteran did."

When Macfarlane won his BA, Principal Cyril James of McGill University held a private reception for him and invited many of the senior professors at the university to attend. Today Macfarlane still has one foot in the news room of the Star and one foot in the class room at Sir George Williams, where he teaches journalism to night classes.

While Mac has reported many learned meetings and many important trends in education since he started covering McGill in 1928, his favorite story has to do with a blonde hair.

"I was nosing around one day in the weather observatory of McGill," he related, "when I saw the late Prof. A. J. Kelly pulling open drawers and slamming them shut, all the while muttering to himself. I asked him what he was looking for and he said he was looking for a long, blonde hair for his recording hydrograph. It seems blonde hair responds most readily to changes in atmospheric moisture. Well, I wrote a tongue-in-cheek piece about a professor who was looking for a blonde with long, fine hair, and hair began to pour in from all over the country and even from as far away as South Africa. If that doesn't show the power of the pen, I'd like to know what does."

Macfarlane was born in Elgin Township, Huntingdon County 57 years ago. He is married.

Good reporting makes a good newspaper

The Montreal Star

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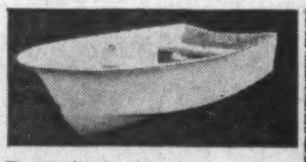

Boats by boxcar?

Nonsense! That's what everyone thought until Thermolite Plastics Ltd., of Burnaby, B.C., decided to ship their 10 ft. Thermocraft cartop boats in CZ corrugated containers. Measuring 10 ft. by 3½ ft. by 2 ft. deep, the boxed craft stack easily in r.r. boxcars, arrive in eastern Canada clean and water-worthy — at lower shipping cost than an unboxed boat! Ask any CZ corrugated man how to get the most for your packaging money.

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FP reports on OPPORTUNITIES

NEW plants, business expansions and capital projects still on the planning tables may hold sales opportunities for you. Here is this week's checklist:

NEW PLANTS

Hilroy Envelopes & Stationery Ltd., is building its third extension to its Toronto plant. Original building was erected in 1947 and comprised about 140,000 sq. ft. Extension in 1955 added another 34,000 sq. ft.

Finley W. McLachlan Ltd., has started on a further addition to house new major equipment installations and eliminate need of outside warehousing. Newest extension will bring total floor area to about 250,000 sq. ft. Completion is scheduled for Nov. 1.

Hilroy incorporates the former **Canadian Pad & Paper Co., Eaton Crane & Pike Co.**, and **Bouvier Envelopes Ltd.**

• •

Starting with a sulphuric acid plant in 1960, **Border Chemical Co.**, Winnipeg, is rapidly building integrated chemical industry in Winnipeg. In past year, facilities have been added to produce aluminum sulphate and copper sulphate.

In planning stage is a roasting plant which, when completed, will form last link in a chain to convert Manitoba ore into useful products.

Through an associate firm, **New Manitoba Mining & Smelting Co.**, Border Chemical will have access to large deposits of nickel-copper ore about 100 mi. from Winnipeg.

Mine and flotation mill are already built, awaiting completion of roaster which will convert minerals into sulphur dioxide and copper and aluminum sulphate, leaving nickel-iron by-product.

• • •

Bellows-Valvair Ltd., Toronto, is building a plant, warehouse and offices on Kipling Ave., Etobicoke Township, Metro Toronto. Architects are **A. W. Cluff & P. J. Cluff**, Toronto. General contractor is **Milne & Nicholls Ltd.**, Toronto.

Estimated cost of 13,000 sq. ft. plant is $150,000-$200,000.

Company manufactures all kinds of pneumatic equipment.

• • •

Herzog Enterprises Ltd., Richmond, B.C., a new firm, has completed an $80,000 plant for manufacture of fibre and nylon rope.

• • •

Orchard Distilleries Ltd., Kelowna, B.C., has a $250,000 pilot plant under construction for production of liqueurs and brandy. Firm plans a full-scale distillery to cost an additional $1 million.

• • •

Osoyoos Co-op, Osoyoos, B.C., is building a $47,000 warehouse for fruit and vegetable packing and shipping.

• • •

Kelowna Growers Exchange, Kelowna, B.C., is building a $191,000 warehouse for fruit and vegetable packing and shipping.

• • •

National Bag Co., Montreal, has awarded a $50,000 contract to **Leonard J. Weber Construction Co.**, for a one-storey extension to its existing plant at Van Horne and Waverley Aves. Architect is **Reuben Fisher.**

EXPANSIONS

Honeywell Controls Ltd., has called tenders for an estimated $160,000 plant addition to its Scarborough, Ont., plant.

Architects are **Gordon S. Adamson & Associates.** Consulting structural engineers are **C. D. Carruthers & Wallace Consultants Ltd.**; consulting electrical engineers, **Jack Chisvin & Associates**; consulting mechanical engineers, **G. Granek & Associates.**

General contractor is **Anderson-Smythe Ltd.**

Addition will be used for office and increased manufacturing space.

• • •

Evans, Coleman & Evans Ltd., Vancouver, has completed a $400,000 modernization program to boost production capacity to six million cement blocks per year.

• • •

B. C. Distilleries Co., New Westminster, B.C., has completed a $1.2 million modernization and consolidation of its plant for manufacturing whiskey and gin. Improved methods will mean greater capacity. Larger proportion of output is disposed of in the export market.

• • •

Canadian Forest Products Ltd., Hunting-Merritt Shingle Division, Vancouver, is modernizing its shingle mill. Cost of program: $80,000.

• • •

Carling Breweries (Manitoba) Ltd., has added 22,000 sq. ft. of storage space and made extensive alterations to its Winnipeg bottle shop at cost of $100,000.

• • •

Kimberly-Clark Canada Ltd., has completed a 30,000 sq. ft. addition to its St. James, Man., plant, bringing total area to 80,000 sq. ft. Plant was opened five years ago, firm's first in Western Canada.

• • •

Summerland Co-op Growers, West Summerland, B.C., is building a $46,000 addition to its fruit and vegetable packing and shipping plant.

• • •

NEW PROJECTS

Preliminary plans for hospital extension by Lachine General Hospital, Lachine, Que., are now waiting approval by provincial authorities. Grover C. Furr, Jr., is president of the hospital board and R. A. Tedstone, secretary. Estimated cost: is $1.9 million.

Architect is **Edward J. Turcotte**, Montreal.

• • •

Louis Donolo Inc., is general contractor for new offices and administration building for **Johnson & Johnson Ltd.**, Montreal. Cost: about $1 million.

Architects are **Fleming & Smith**, and consulting engineers, **McDougall & Friedman**, both of Montreal.

• • •

Fort Garry Brewery Ltd., Winnipeg, will build a $130,365 warehouse, office and retail store.

• • •

Federal government, through Central Mortgage & Housing Corp., has approved these loans to help in construction of sewage projects:

Creighton, Sask.: $33,333 for construction of lift station and about 6,500 ft. of six-inch forcemain.

Espanola, Ont.: $92,000, for construction of primary sewage treatment plant, pumping station and about 2,500 ft. of six-inch forcemain.

Fort Qu'Appelle, Sask.: $8,133, for additional stabilization pond.

Hanley, Sask.: $8,913, for construction of stabilization pond and 2,000 ft. of 10-in. and eight-inch collector sewer.

White Rock, B.C.: $124,000, for extension to the treatment plant, additions to one pump house and about 8,300 ft. of 14-in. forcemain.

Hartney, Man.: $14,533, for construction of trunk collector sewer and stabilization pond.

Cuper, Sask.: $23,000, for construction of stabilization pond, pumping station and forcemain.

• • •

St. Lambert General Hospital, will shortly call tenders for a $2.5 million hospital in Greenfield Park, Que. Gerard Lanoue is administrator of the hospital.

Architect is **Jean Paul Jolicoeur**; consulting structural engineer, **Gagne & Associates**; consulting mechanical engineers, **De Guise & Dupras.** All are Montreal firms.

• • •

Ellendale Investment & Building Guarantee is building a $300,000 office building in Montreal at southwest corner of Place Decelles and Ellendale Ave. Building will be four stories high. President of Ellendale is Jacob Kempler.

• • •

Essex, Ont., County council has agreed to join in building new country courthouse with City of Windsor and town of Riverside. Estimated cost of $1.2 million will be shared. Location will be in downtown Windsor.

Work on plans will start as soon as approval of Ontario Municipal Board is given.

• • •

Working plans are being drawn by architects **Gardiner, Thornton, Gathe Associates,** Vancouver, for project for St. Joseph's Hospital, Vancouver. Estimated cost: $2.1 million.

Plans call for: new five-floor, 115-bed wing.

• • •

Property owners in four districts have voted in favor of construction of new Cowichan district hospital at Duncan, B.C. Estimated cost will be $3.7 million.

• • •

Penthouse Towers Apartment Hotel Ltd., Calgary, has completed plans for hotel on Sixth Ave. S., Calgary. Total cost will be $3.8 million. H. T. R. Gregg is president of the firm.

Architects are **A. Dale & Associates,** Calgary.

Building will be 20 stories high, have frontage of 230 ft. and depth of 150 ft. It will have parking space for 90 cars in basement.

Lower floors will house head office of provincial treasury branch in Calgary, a 32-lane bowling alley, five stores and a health studio. Second stage will contain 205 executive suites.

• • •

Tenders have been called by La Commission Scolaire de la Ville de Beauport-Est, for secondary school at Beauceville, Que., to cost estimated $750,000. Architects are **Poulin & Ayotte**; consulting structural engineer, **Guy Labbe**, Chicoutimi, Que.; consulting mechanical engineer, **Pageau & Morel**, Montreal.

WHAT'S NEW

FOR TEA GRANNIES. A tea dispensing machine, that obeys all the rules of brewing a "good old English cup," uses fresh leaves instead of concentrate. When a coin is inserted, warm water in the machine is brought to boiling point by a booster immersion heater. The boiling water is poured on to finely ground fresh tea leaves and the brew is infused in a preheated metal container. Cream and sugar are added to taste and the tea is automatically stirred as it is poured into a plastic cup. Will dispense 600 cups, says the U. K. maker.

• • •

PLASTIC MILK BOTTLES, now being used experimentally have these advantages over glass bottles, according to a Dutch manufacturer: Lighter to handle, make less noise during stacking and transporting, are practically unbreakable and are safer to handle. Height and dimensions are the same as glass bottles so dairies can continue to use existing cleaning and sealing machines. Each bottle has an average life of 400 fillings it's claimed.

• • •

CRASH CUSHION to protect car driver and front seat passenger from shooting through the windshield, has been designed in Belgium. Unit, which is fitted into the dashboard, consists mainly of a screen wound round a vertical spindle against the action of the spring. It can be arranged to spring into position in front of the windshield when a board at the feet of the driver or passenger receives violent pressure as a result of sudden braking. The full force of the body is taken against the resilient screen instead of against the glass window, says the designer. When not in action, it can be used as a handle to assist passengers in and out of the car.

• • •

PAPER GARBAGE CANS, fitting into metal racks, are to be distributed free for a 60-day trial period to houseowners in Montclair, N.J. Report on the experiment will probably come up at the American Public Works Association convention in Minneapolis next month.

• • •

TAPE-CONTROL comes to still another field, pipe bending. Recently unveiled in the U. S. is a tape-controlled tube-bending machine that punches out a numerical paper tape for duplicating any prototype of pipe design. Advantages claimed: Greater accuracy than with conventional machines and reduction of setup time to about 35 min. versus 3½ hr. to 4½ hr. Handles tubing up to 1¼ in. diameter and 8 ft. long; holds bend and twist angles to tolerances of plus or minus .0018 seconds, linear dimensions to .005 in., it's said.

• • •

LIGHT LAMPOST that one man can carry on his shoulder is being manufactured and used in the U. K. Erection is 100% faster than when using concrete posts, and 50% faster than steel, it's claimed. Made of a non-corrodable alloy, posts are manufactured in one piece by means of a special welding technique.

• • •

BURGLAR BAFFLER. Lock for home and industrial uses, features a new design of key, keyway and internal locking mechanism, according to the manufacturer. The cylinder contains four disc tumblers, four bell-bar tumblers and four side-bar tumblers. Gives three-way protection against picking compared with a conventional lock's single protection of one set of pin tumblers, it's claimed.

• • •

COSY COTTON fabric, designed for lining sleeping bags, is adapted from a cellular cotton blanket developed for hospital use by the same U. K. manufacturer. If bag gets wet, the new lining dries more quickly and returns to its original state of insulation and warmth sooner than conventional liners, it's claimed. Blanket is said to be lighter than wool and can be boiled without ill effect.

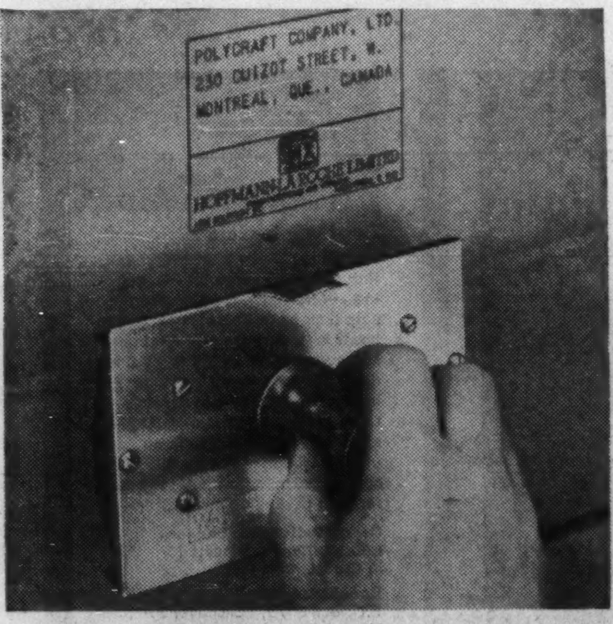
• • •

NEW LITERATURE: Syntron (Canada) Ltd., Stoney Creek, Ont., a 32-page, illustrated booklet describing rotary vibrator screens, grizzly bar screens, screening feeders, mechanical conveyor screens and pulsating magnet screens . . . **J. A. Wilson Lighting Ltd.,** Toronto, a four-page bulletin describing the company's lighting louvre diffusers of non-combustible vinyl . . . **Chart-Pak, Inc.,** Leeds, Mass., a six-page brochure on the Contak line of color tints and shading films.

ANNOUNCEMENT

B. L. BURNELL

Mr. I. G. Michie, Actuary for Canada of the Mercantile and General Reinsurance Company Limited, has much pleasure in announcing the appointment, as from 1st July, 1961, of Mr. B. L. Burnell as Assistant Actuary for Canada. Mr. Burnell, who is a Fellow of the Institute of Actuaries, joined the Company in Britain in 1953. He was transferred to the Company's Canadian Life Branch in March, 1959, and was appointed Life Superintendent for Canada in January, 1960.



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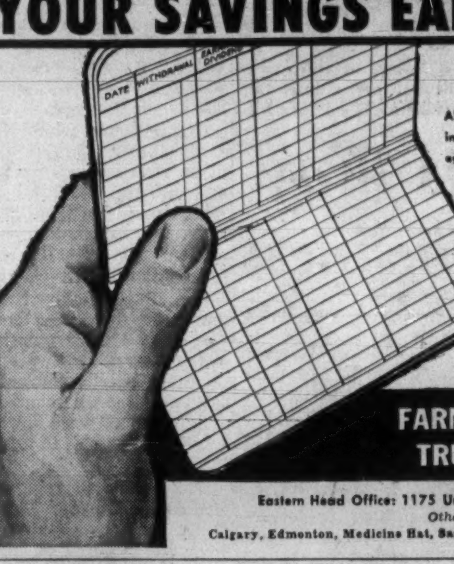

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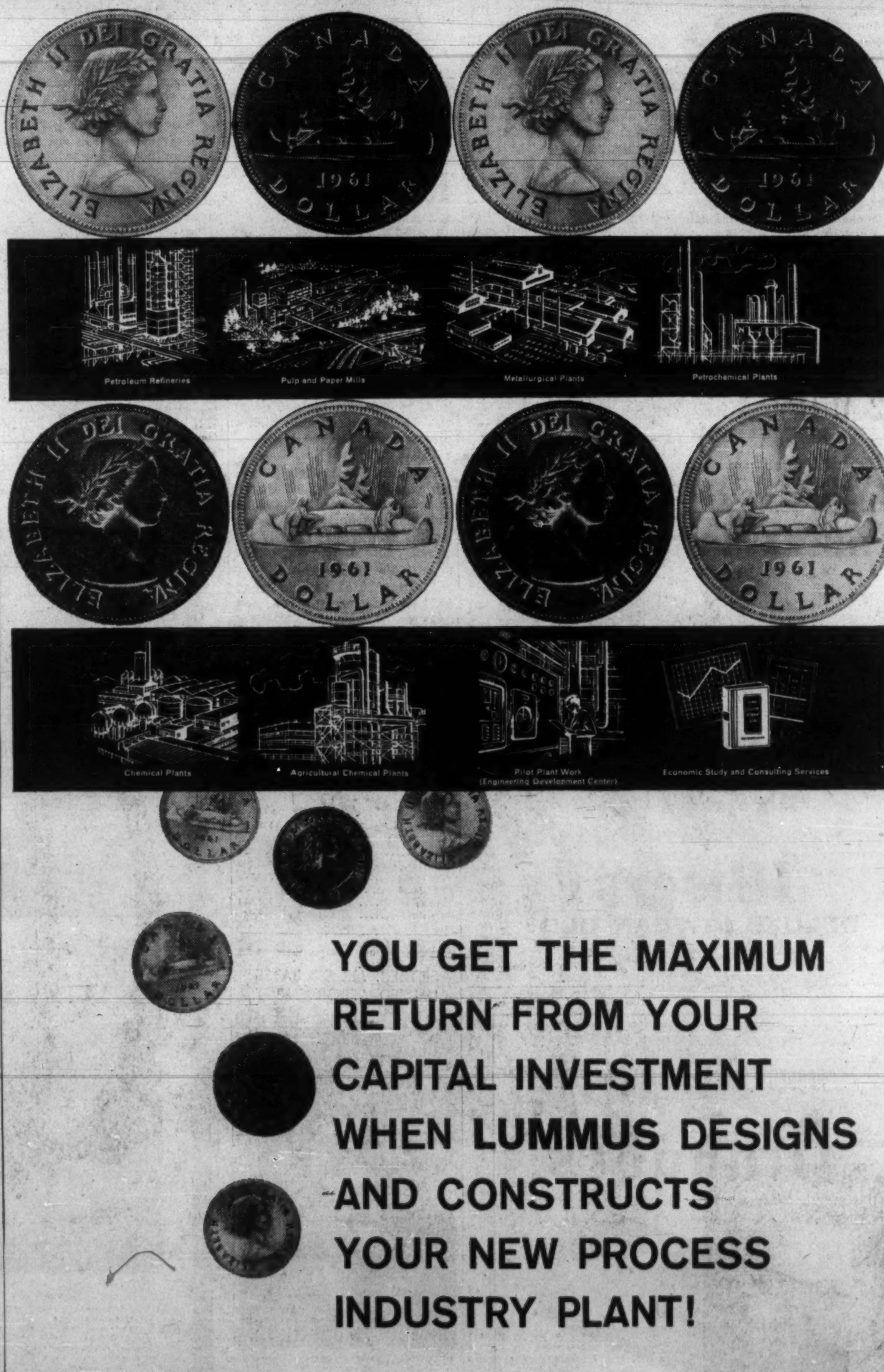

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THE McKEES: father and son

They Move 2.5 Million Lb. Of Furniture Every Year

From Our Own Correspondent

SASKATOON — Fifty years old this month, **McKee Moving and Storage,** of Saskatoon, is still growing.

It plans within a year to triple its warehouse space, now 80,000 sq. ft., by moving from downtown quarters to new buildings in Saskatoon's northside industrial area.

The company began with seven two-horse teams. Today 75 employees and 40 trucks move 2.5 million lb. of furniture coast to coast each year. The company rents cranes, does steel erection work and specializes in heavy hauling.

Man behind growth, A. J. McKee, 72.

An Ontario farm boy, he was on his way to Calgary in 1911 when relatives he visited in Saskatoon offered to sell a dray and fuel business.

He bought, and a few months later, his father joined him in the business.

Today McKee, pleasant and quiet-spoken, has been slowed by a heart attack but, through his 38-year-old son Gordon, he's able to direct the business.

McKee, senior, traveled widely to observe methods and equipment used by other movers. If he found something to his advantage, he adopted it.

As a result the firm was first in Saskatchewan with:

- **Pallet system** of individual storage of household furnishings.
- **Special furniture** warehouse with alarms connected to police and fire departments.
- **Tubes** for storing rugs.
- **Low-bed trailers** for heavy moving.
- **Rubber-tired** mobile cranes.
- **Teletype** with a nation-wide hookup.

McKee vans cover about 75,000 mi. a year.

Toughest hauling job: a 125-ton piece of equipment for the Queen Elizabeth Power Station in Saskatoon.

One of the most complicated jobs: recovering a truck and its load of steel when it broke through the ice at a river crossing north of Saskatoon.

The company leases warehouse space and acts as distributor for several major firms, including **Manitoba Sugar Co.** and **Procter & Gamble Ltd.**

McKee's supply monthly inventories so that companies can replenish stocks periodically.

Under McKee Jr., the company will drive for more of this business by expanding its warehouses.

He joined the firm as a truck driver. Since becoming general manager and vice-president, he has been a director of the Canadian Warehousemen's Association. He is also on the executive committee of **Allied Van Lines Ltd.**

His father was a director of the Warehousemen's Association and was on the original board of Allied, a "return haul" organization he helped start.

$2 Million Chemical Unit For Cyanamid

Cyanamid of Canada will start construction of eastern Canada's first plant for production of diammonium phosphate, a fertilizer material.

The new plant, to cost more than $2 million in its first phase, will be built on the site of company's Welland plant near Niagara Falls, Ont., and will include facilities for production of granular triple superphosphate.

"There is an accelerating market for high analysis fertilizers that provide more plant nutrient per lb. of material," states Company President B. F. Bowman.

"We are confident this new installation will enable us to maintain our position in supplying the changing and increasing needs of the agricultural industry for such fertilizers in eastern Canada."

Cyanamid has hitherto imported triple superphosphate from the U. S. for sale in Canada. Recently, however, the new plant of **Electric Reduction of Canada** at Port Maitland Ont., has come into operation with first production of the material in Canada.

Cyanamid will make use of its expanded ammonia-making facilities at Welland in its diammonium phosphate production.

ANNOUNCEMENT

HUNTLY W. F. McKAY

The appointment of Huntly W. F. McKay as assistant manager of the Public Relations and Advertising department of The Shawinigan Water and Power Company is announced by Louis Trudel, manager of the department.

Big World Trading Firm Sets Up Division in Canada

Specific opportunities for Canadian products in various world markets were cited in a recent Toronto panel discussion by five managers of **Getz Bros. & Co.,** one of the world's largest international trading organizations.

Ronald M. Melvin, managing director of **Products Tank Line of Canada,** who moderated the discussion, pointed out that where Canadian manufacturers could not be competitive in overseas markets, the solution lay in investment abroad.

Whatever approach is taken, said E. A. Locke, Jr., president of **Union Tank Car Co.,** Chicago —one of the guest speakers on the conference on world trade—the key to success was for chief executives of Canadian companies to make personal visits overseas.

Last fall Getz Bros. & Co., operating some 30 offices throughout the world, was purchased by Union Tank. Now Products Tank Line of Canada, Union Tank's Canadian operation, has established a Getz division in Canada to probe the market and to seek opportunities for Canadian products abroad.

Through its affiliation with the huge world trading organization of Getz Bros., the service of the Getz offices around the world are available to it.

A 50% increase in world trade can be predicted by 1970, but both Canada and the U. S. stand to lose their share of this increase unless individual businessmen take aggressive action, E. A. Locke said.

In the past eight years the over-all trade of the free nations had been increasing at a 6% average annual rate. In the same period the two-way foreign trade of Canada had had an increase of about 3%, that of the U. S., 4%.

"If Canada had maintained the same percentage share that you had eight years ago, you would have enjoyed $1,500 million more in two-way foreign trade last year than you actually had," Locke said.

The TSE Goes to The CNE

The Toronto Stock Exchange is searching among Canada's biggest crowd for fresh investors.

It has a display booth at the Canadian National Exhibition in Toronto — and CNE officials expect 900,000 people will pass the exhibit between Aug. 18 and Sept. 4.

The TSE display simulates exchange operations.

A dial ticker and an electronic board offer up-to-the-second stock quotations.

Actual market transactions are also shown. Visitors are helped to map out an investment plan.

Display is in CNE's Government Building.

Vectoll Invest. Share Value Up

Vectoll Investments Ltd., Vancouver-based closed-end investment company, net asset value per share rose 61.5% to 39.4c at June 30/61 from 24.4c at Dec. 31/60, on 232,005 shares outstanding.

Investments had a market value at June 30/61 of $141,030 ($121,006 at Dec. 31/60). After deducting $49,590 ($64,298) net bank position and other payables net assets were $91,440 ($56,708).

Portfolio has tended to change very rapidly.

"Our aggressive policies in the past, although they have been successful, have resulted in a high degree of volatility in our performance," President Michael M. Ryan says.

Company now is adopting a more conservative investment policy. Intention is to reduce or eliminate bank loans over the fairly near future.

Company was formerly known as **Wesko Mines Ltd.** Share exchange basis was one Vectoll for 10 Wesko.

Here are portfolio changes for the half-year in detail:

	Amount held June 30 1961	Change since Dec. 31 1961
	$	$
BONDS:		
West. Can. Steel 6%/69	10,000	+10,000
Loblaw Groc. 4¾%/78	3,000	+3,000
Cdn. Utilities 5¾%/77	nil	—7,000
PREFERRED:	Shares	
Que. Nat. Gas 6%	300	+100
COMMON:		
Alta. Nat. Gas	nil	—700
Dominion Foundries	400	+400
Massey-Ferguson	1,000	+700
Loblaw Cos. 'A'	300	—150
Rothmans (Can.)	1,500	+1,500
Seaboard Insur.	500	+500
Do. warrants	125	+125
Atlas Steels	nil	—50
Combined Enterprises	nil	—1,175
Dominion Bridge	nil	—700
Imperial Invest. 'A'	nil	—1,000
Geo. Weston 'A'	nil	—250

Cdn. Oil Cos. Profit Ahead of Last Year

Earnings of **Canadian Oil Cos.** for the first six months of 1961 are running "well ahead of last year", President W. Harold Rea said in a shareholder letter this week.

"At the annual meeting I predicted 1961 earnings would show an improvement of at least 20% over 1960", Rea said.

"While sales to June 30 are up only moderately (6%), estimated earnings thus far in 1961 indicate that the year's results will be even better than implied at the annual meeting."

The increase is being achieved despite continued weakness in product prices and other adverse factors. It is attributed to company's cost reduction program.

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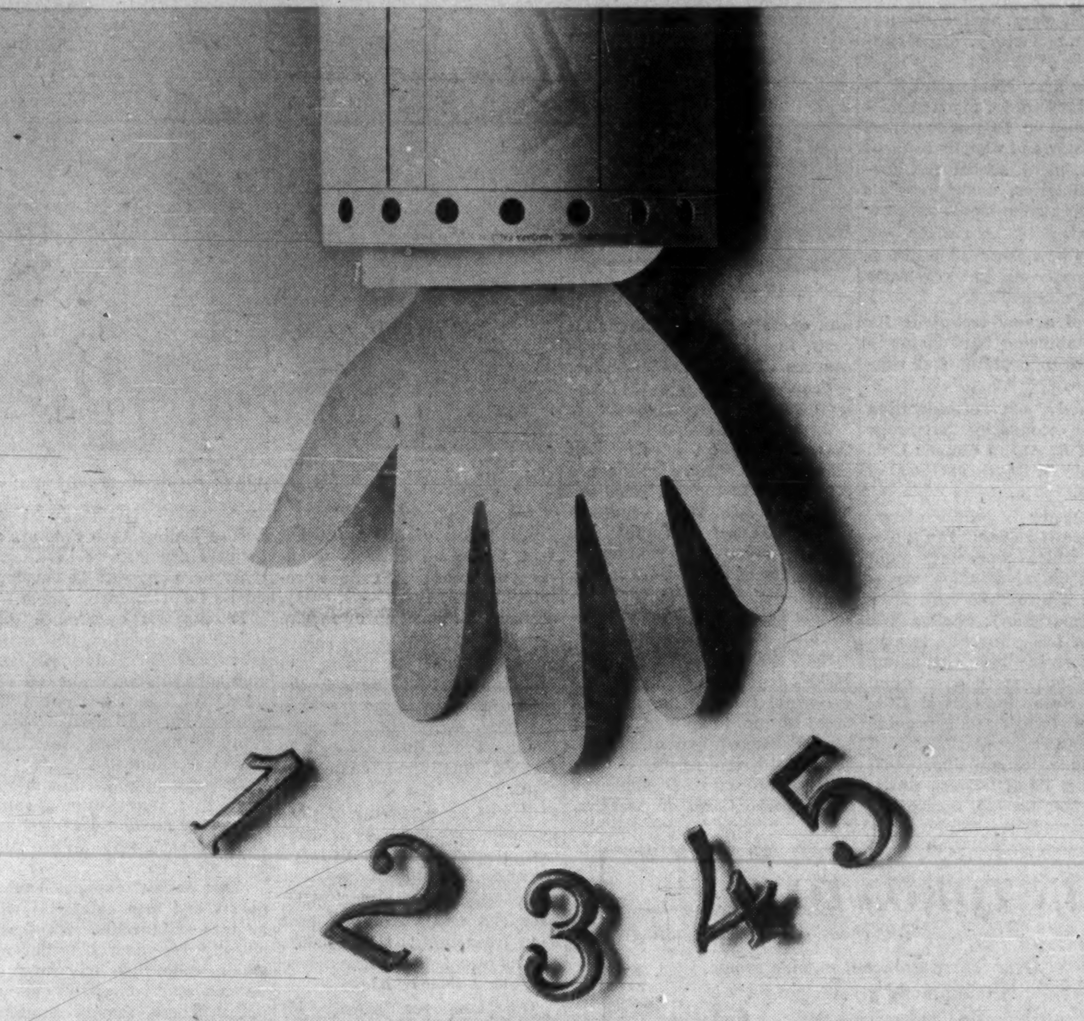

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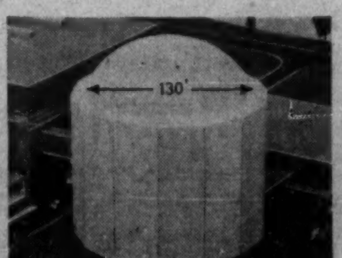
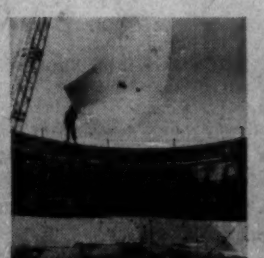
FROM HORTON . . . PACE-SETTING PROGRESS

Vertical Take-Off and Landing (VTOL) Engine Test Bed — max. diam. 40 ft. by 98 ft. long — fabricated and erected by Horton for the National Research Council, Ottawa. This contract was fabricated to tight specifications requiring very close tolerances.

ATOMIC ENERGY REACTOR BUILDING
Artist's sketch of 130 ft. diam. nuclear reactor. Hemispherical Dome to be fabricated and erected by Horton for Atomic Energy of Canada, Limited, Douglas Point, in a new notch-tough steel, NPM-30.



CRYOGENICS (LOW TEMPERATURE STORAGE)
Construction view of 117,000 Imperial gallon liquid oxygen storage vessel for Union Carbide Canada Limited's Linde Gases Division at Sault Ste. Marie. The 33 ft. diam. aluminum sphere and containment vessel were designed, fabricated and erected by Horton. The liquid oxygen is stored at —297 degrees F.



WIND TUNNELS
Construction view of 157 ft. long Horton fabricated and erected air storage vessels . . . a vital part of the National Aeronautical Establishment wind tunnel at Uplands, Ottawa. Special design procedures were evolved by Horton engineers in fitting the 11 ft. 6 in. diam. vessels, which were built to withstand pressures of 290 p.s.i. Consulting Engineer: DILWORTH EWBANK, TORONTO.

To meet with the unusual requirements of the space age, HORTON — through research and special engineering — handles unique steel plate fabrication jobs for industry and defence. Illustrated are just a few examples. On every contract — standard or specialized — HORTON'S craftsmanship in steel reflects the extra care . . . the complete responsibility . . . and the development of new procedures that HORTON applies to every contract, large or small. Whatever your steel plate fabrication problems, HORTON will have the answer.

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Airline Meals for Your Plant

He Uses Factory Methods For Cooking in Quantity

By FORBES GILBERTSON

You'll soon be able to serve "suspended animation" food — like high-class airline dinners — in your factory, office canteens.

A new firm, **Mealmaster System Ltd.,** Toronto, plans to precook meals in 10 plants across the country and distribute them to office, plant, school and hospital cafeterias, using methods by which airline meals are now produced.

Here's how the system differs from most current cafeteria catering methods:

- **Use of a new technique** for flavor-stabilizing food in interval between cooking and consumption.
- **Method of reconstituting** meals in seconds by Radarange ovens of **Raytheon Canada Ltd.,** subsidiary of **Raytheon Corp. of America.**

Mealmaster is jointly owned by: **Aero Caterers Ltd.,** Toronto, which operates flight kitchens in nine cities across Canada. (Aero will look after meal preparation); **Portion-Pak Products Ltd.,** Toronto (which will determine best packaging, distribution methods); and **Bristol Aero Industries Ltd.,** Montreal (which will provide equipment).

Alexander Simon Jarvis, 47, the suave, English-born, president of Mealmaster, says prep-

JARVIS

aration of food at a central plant and distribution in disposable plastic dishes eliminates need for much kitchen equipment in customer's plant. It cuts food wastage, operating and maintenance costs, involved accounting procedures and inventories—offers a "conservative" 7%-12% annual cut in catering overhead.

At the Mealmaster plant, a team of dietary experts will plan meals. There meals are prepared and cooked, sterilized by ultra-violet rays, conveyed to LiqueFreeze equipment for instant flavor - stabilization at temperatures around —320 deg. F.

This holds the flavor and nutritional value in a stabilized suspension for an indefinite period.

Normal freezing, says Jarvis, takes 45 min. to an hour. In the LiqueFreeze equipment, it takes about 4-10 seconds.

This equipment is made by **LiqueFreeze Corp. of America.**

RADARANGE heats precooked meals in seconds.

Advantage of this method is said to be an almost instantaneous freeze with no intermingling of flavors — literally, suspended animation of food.

The liquid nitrogen is sprayed on, sealing in flavor and having a crusting effect. As the food comes out of the machine, it's packaged, sealing nitrogen inside. From there it goes to freezer, finally to customer's plant.

One of the problems of storing food, says Jarvis, is oxidization. Sealed-in liquid nitrogen prevents this happening.

At the customer's plant, packaged meals are held in a deep-freeze until 18 hrs. before consumption, then transferred to a menu-selector bar.

The employee selects his meal, puts the package in a Radarange, sets a timing control to correspond with a colored tag on the package and meal is ready seconds later.

"We don't use industrial methods of cooking either," says Jarvis." Cooking in our plants will be kept to a limit so that complete control can be maintained — a top of 1,200 meals an hour.

"In effect, we're applying factory control methods to restaurant-type cooking, with complete laboratory control from start to finish.

"By large-scale buying and economies in producing the meals, we can cut the waste factor to almost nothing and achieve quality meals on a mass scale."

Though using standard equipment wherever possible, some equipment in certain installations will be made by Bristol. Plan is eventually to have Bristol manufacture electronic equipment.

Bristol, says Jarvis, is in the best position to develop or find such equipment in the future.

He has just returned from a month's travel which took in Los Angeles, the U. K. and Europe, where he examined catering systems. "There are some surprising things ahead in equipment and methods," he says.

Jarvis was once an apprentice in cookery with the United Services Club in London, Eng., came to Canada in 1936.

In World War II, he was cookery officer with the RCN's Halifax Command. He was with the Niagara Parks Commission and **Robert Simpson Ltd.,** as restaurant production manager, before joining Aero Caterers as general manager in 1947.

At Aero Caterers he developed its flight kitchen system.

It was this experience that led to his conviction that rising labor costs in restaurants and company cafeterias showed the need for central system of mass-producing meals which retained flavor and were still priced economically.

"It's our opinion that in the next five years other people are going to do what we are doing. That's why we are getting into it now.

"Our natural expansion from plants and firm cafeterias will be into restaurants. We have already designed a restaurant which could use our kind of service and completely eliminate kitchens, though retaining waitresses.

"We're experimenting in this area, although cafeterias and institutions are our initial target.

"From our investigations, we see no reason why we can't put this on mobile trucks eventually and serve anybody anywhere — including, ultimately, the domestic market.

"We don't expect that such a service would ever replace the high-priced restaurants. But the average, middle-class restaurant would be an obvious user."

Mealmaster's new plant at 399 Evans Ave., Metro Toronto, will only be one stage in development of the system.

For example, a primary production plant to prepare, say, beef dinners, would be located in beef-producing section of Southern Ontario.

Mealmaster will offer three types of lease-purchase arrangement to customers:

- **Customer will buy** everything except the Radarange oven.
- **Lease the oven only,** because he has rest of necessary equipment.
- **Or lease the entire operating equipment,** including the oven.

Leases will be provided on a five-year basis with option to renew for an additional three years. Mealmaster will provide routine maintenance, parts and service beyond this being provided at cost.

Simple, flat-charge basis for meals will be used, with prices ranging from 25c-65c. Minimum order per customer: 50 meals. No limit to size of order. Forty-four different menus will be available.

Firm's new plant will have a capacity of 500,000 meals a month, with initial production of 200,000 meals a month.

Plant, containing 31,000 sq. ft., and costing $1 million with equipment, goes into production Oct. 1/61, will have storage capacity of 750,000 meals.

Firm will do free individual appraisal of needs.

Jarvis estimates an installation to serve 200-400 people would require two to four Radaranges; 400-1,000 people, four to eight ovens; 1,000-1,500 people, eight to 10 ovens.

In each case, exact number of ovens would be determined by meal period alloted by management. Basic Mealmaster installation includes: Radaranges, menu-selector bar, soup dispenser, deep-freeze and beverage station.

The plastic plates are made by **Westek Plastics Ltd.,** Toronto, subsidiary of **Canadian Thermos Products Ltd.**

Cost of the plate had to be kept to around 5c, according to Jarvis of Mealmaster, and this has been achieved.

Main problem was to find a plastic which would withstand heat of cooking, yet be cheap enough to be disposable.

Initial order by Mealmaster is said to be one of the largest ever placed for plastic ware in Canada at one time—250 tons.

A new plastic for the domestic field is now being investigated by Mealmaster but the firm doesn't anticipate breaking into this market for some considerable time yet.

Mando Sales, Profit Lower First Half

Minnesota & Ontario Paper Co., Minneapolis, Minn., reports sales volume at $41,723,383 down 5.7% from first half of 1960. Earnings of $1,737,212, or 67c per share dropped 45.6% from $3,195,667 or $1.24/share.

Although second quarter sales increased some 8% over first quarter, 1961 sales and earnings are still behind those of last year stated President Robert Faegre.

"Insulite" building product and newsprint sales increased substantially while "erratic and highly competitive market conditions" retarded recovery in the specialty paper line.

New one-year agreements were signed with all unions at company's International Falls, Minn., plant.

There are now 2,573,448 common shares issued and outstanding.

APEC MEMBERSHIP

From Our Own Correspondent

HALIFAX—The Atlantic Provinces Economic Council now has membership of 2,045, an increase of 282 over a year ago, and 118 since Jan./61. In June, APEC launched a membership drive in Newfoundland.

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ANNOUNCEMENT

SPARLING APPOINTMENTS

G. L. GOODING

D. J. NICKILO

R. F. SCOTT

Appointments of G. L. Gooding as manager of operations, D. J. Nickilo as special projects engineer and Robert F. Scott as chief inspector of Sparling Tank & Mfg. Co. — a division of Products Tank Line of Canada, Ltd.—have been announced by A. J. Paul LaPrairie, general manager of Sparling. Mr. Gooding, P.Eng., University of Toronto with honours in civil engineering, M.E.I.C., was Sparling's chief engineer until his promotion. In his new post, he will be responsible for the plant and field operations of the company. Mr. Gooding has had extensive experience in the structural engineering industry. Mr. Nickilo, P.Eng., McGill University with honours in civil engineering, has joined Sparling to fill this new post made necessary by the company's expansion. Previously, he was a division manager for another large Canadian plate fabricator. Mr. Scott, a former national president of the Canadian Welding Society, has been in the plate fabrication industry for the past 27 years. He will supervise product testing and the training of welders at Sparling's Oakville plant.

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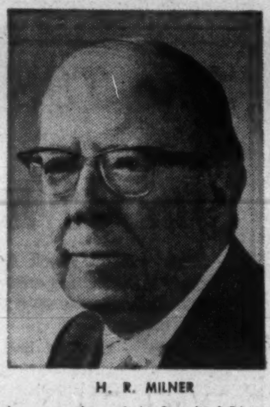
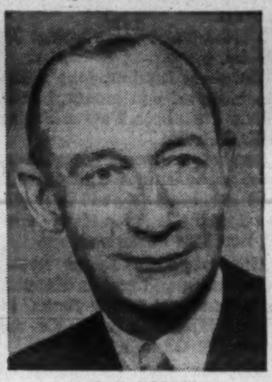
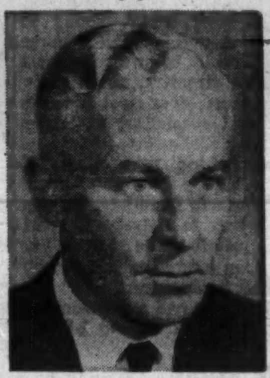
ANNOUNCEMENT

International Utilities Corp. Announces New Appointments


H. R. MILNER


D. K. YORATH


J. C. DALE

Following a meeting of the Board of Directors of International Utilities Corporation held in the company's offices in Toronto, Ontario, Aug. 3, Howard Butcher III, president of the company, announced that H. R. Milner, Q.C., of Edmonton, chairman of Northwestern Utilities, Limited, Canadian Western Natural Gas Company Limited, and Canadian Utilities, Limited, had been appointed Chairman of the Board of International, and that D. K. Yorath of Edmonton, president of Northwestern Utilities, Limited and Canadian Western Natural Gas Company Limited, and J. C. Dale of Edmonton, president of Canadian Utilities, Limited and Northland Utilities Limited, had been appointed vice-presidents of International Utilities Corporation.

Mr. Butcher pointed out that not only were a majority of the members of the Board of Directors Canadian, but that a recent list of shareholders of record shows a larger number of owners of both voting preferred and common shares in Canada than in the United States. Of the common shares, there were 3,605 Canadian and 2,987 United States shareholders. Moreover, of the total outstanding both preferred and common shares, 47% were held in Canada and 46% in the United States. The remainder were held chiefly in Great Britain.

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Nova Scotia's Tartan is 'Real'

From Our Own Correspondent

ST. JOHN'S—Now that Newfoundland's got a tartan, all the Atlantic provinces have their own.

But only Nova Scotia's is "real," i.e., approved by the Lord Lyon King of Arms at Edinburgh, Scotland.

Strictly speaking the others are only plaids.

So far as most laymen are concerned the question of tartan or plaid is strictly academic, and sales are reported brisk.

The designer of the Newfoundland tartan is Newfoundland-born Samuel B. Wilansky, director of **The Model Shop**, St. John's.

According to Wilansky, just as soon as he receives approval from the provincial government he will ask the Lord Lyon to accept the design and to designate it Newfoundland's official tartan.

Many Newfoundlanders — there are many more Irish than Scotch — are proudly wearing the tartan and don't seem to mind whether Lyon has approved it or not.

All the big department stores in St. John's are selling it made up as ties, scarves, skirts and even handbags.

NONIA (Newfoundland Outport Nursing Industrial Association), which has encouraged cottage crafts, is weaving and making up some of the items.

Commercial weavers in other parts of Canada, like **West Coast Woollen Mills Ltd.**, Vancouver are producing yard goods in volume. Manufacturers on the mainland produce clothing — mostly women's and children's wear — under authority from Wilansky.

The tartan-covered handbags and purses are produced by

WILANSKY and tartan

Gold Sail Leather Goods Ltd., Harbour Grace, Nfld.

Wilansky is also arranging for bone china and linen to be manufactured bearing a Newfoundland Tartan motif. The tartan design is based on the "Ode to Newfoundland," the island's national anthem composed in 1904 by the then governor, Sir Cavendish Boyle.

The colors are gold of the sun rays; green of the pine clad hills; white of the cloak in winter covering the land; brown representing the Bell Island iron ore and red of the Royal Standard.

The provincial government has given Wilansky permission to use the province's coat of arms for the legend describing the tartan and the tag affixed to each tartan item sold.

Bow ties may be available soon, and there's a good reason. Premier Smallwood seldom wears any other kind and he's reported interested in having a good supply on hand to wear and give away as gifts.

New Agency Serves Southern Ontario

A new advertising agency has been formed to handle accounts of advertisers in Hamilton, Toronto and south-western Ontario.

Huxley-Irwin Ltd. will provide complete agency services for advertisers in the consumer, industrial and agricultural fields.

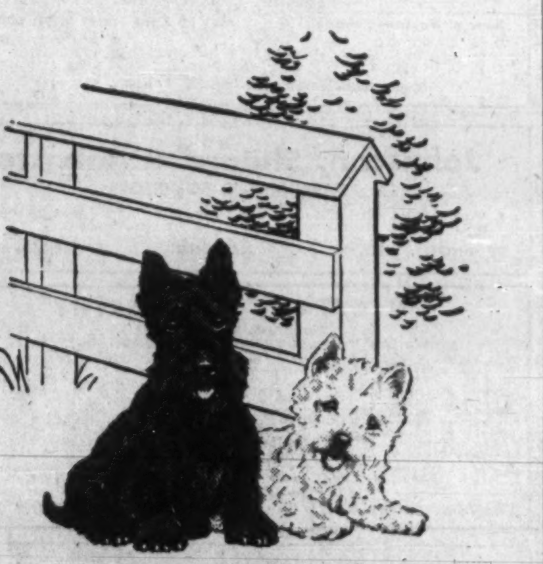
Head office is 70 Sanford Ave. N., Hamilton.

Michael K. Irwin is president, John W. Huxley executive vice-president.

ANNOUNCEMENT

CHARLES A. MISENER

Appointment of Charles A. Misener as Manager, Public Relations, Pepsi-Cola Company of Canada, Limited, has been announced by William E. Emerson, Vice-President, Marketing. A native of Port Colborne, Ont., Mr. Misener has served the Company since 1953. He was Sales Manager, Ottawa Branch, prior to his appointment. Mr. Misener's appointment represents an extension of Pepsi-Cola's policy of promotion from within the ranks of company personnel.



"6 o'clock!... time master was home"

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THE INVESTMENT FUNDS

Timed Investment Fund Per Share Value Up 4%

Total net assets of **Timed Investment Fund Ltd.**, Toronto, increased 0.4% to $2,175,786 in the three months ended June 8/61.

Net asset value per share in same period rose 4.3% to $6.10 ($5.85 at March 9).

This indicates net redemption of 13,835 shares, reducing number outstanding to 356,686.

Assets at June 8 were invested 25.8% in bonds (26% at March 9); 22.4% (20.5%) in preferred and other defensive stocks; 48.9% (52%) in common stocks; and 2.9% (1.5%) in cash, etc.

Fund during the quarter made new commitments in 5½% preferred shares of **Jockey Club Ltd.** and in **Trans Mountain Oil Pipe Line Co.**

Holdings in **Consolidated Paper Corp., Famous Players Canadian Corp., International Nickel Co. of Canada, Molson's Brewery Ltd. "B", Royal Bank of Canada, Steel Co. of Canada, and Shawinigan Water & Power Co.** were eliminated.

Here are portfolio changes for the quarter in detail:

	Amount held June 8 1961	Change since Mar. 9 1961
PREFERRED:	——Shares——	
Jockey Club 5½%	1,500	+1,500
COMMON:		
Bell Telephone	2,200	+200
Do. rts.	nil	—2,000
Abitibi P & P.	1,000	+200
Cdn. Breweries	800	+300
Consol. Paper	nil	—800
Distillers Corp.-S.	1,100	—900
Famous Players Cdn.	nil	—300
Hudson Bay Mining	800	+200
International Nickel	nil	—200
Kerr-Addison Gold	2,100	—400
Molson's 'A'	1,500	—100
Do. 'B'	nil	—1,000
Royal Bank	nil	—100
Salada-S.-Horsey	1,000	—500
Shawinigan W. & P.	nil	—1,000
Steel Co. of Canada	nil	—300
Tor.-Dom. Bank	750	+150
Do. rts.	nil	—600
Trans Mtn. Pipe Line	1,000	+1,000

Investors Group Canadian Per Share Value Up 19%

Investors Group Canadian Fund Ltd., U. S.-owned Canadian investment fund, total net assets rose 0.3% to $112,315,051 in six months to June 30/61.

Net asset value per share in same period increased 19.1% to $6.31 ($5.29 at Dec. 31/60).

There was net liquidation of 3,330,415 shares in the six months, reducing number of shares outstanding to 17,811,030.

Assets at June 30/61 were invested 95.4% in common stocks (98.4% at Dec. 31/60); 1% (1%) in preferred stocks; and 3.6% (0.6%) in bonds.

Portfolio transactions in the first six months of 1961 were featured by a reduction in the holdings of mining, pulp and paper, and oil and gas issues.

Here are changes for the half-year in detail:

	Amount held June 30 1961 $	Change since Dec. 31 1960 $
BONDS:		
Fruehauf Trailer 5¼%/76	nil	—845,000
COMMON:	——Shares——	
Consol. Mining	50,000	—2,400
Sherritt Gordon	300,000	—266,650
Temagami Mining	278,000	—7,000
Ventures	90,000	—43,000
Noranda Mines	25,000	—25,000
Lake Shore Mines	124,600	—11,600
Barnat Mines	nil	—300,000
Brunswick Mining	nil	—198,000
Campbell Chiboug.	nil	—94,700
Gunnar Mining	nil	—67,000
Steel Co. of Canada	35,000	+10,000
Steep Rock Iron	nil	—52,300
Page-Hersey Tubes	nil	—30,000
Fruehauf Trailer	26,825	—1,400
A. V. Roe (Can.)	nil	—62,500
Dominion Bridge	nil	—40,000
Canada Cement	23,975	—26,025
Br. Nfld Corp.	180,700	—19,300
Dom. Tar & Chem.	165,000	—60,000
B.C. Forest Products	163,500	—10,000
St. Lawr. Cement 'A'	nil	—13,700
MacMillan, Bloedel	35,825	—253,550
Westminster Paper	26,375	+26,375
Fraser Cos.	nil	—12,200
Anglo-Cdn. P. & P.	nil	—15,000
St. Lawr. Corp.	nil	—185,000
Dominion Stores	30,000	+30,000
Woodward 'A'	80,000	+24,960
Simpsons	70,000	+40,000
Mining Corp. of Can.	nil	—30,000
Salada-S.-Horsey	81,200	+81,200
N. Ont. Nat. Gas	64,000	+14,000
Consumers' Gas	125,000	+50,000
Do. rts.	61,500	+61,500
Bank of N.S.	27,635	+10,135
Bank of Montreal	nil	—10,000
Cdn. Imperial Bank	46,310	+46,310
Cdn. Bank of Comm.	nil	—30,000
Imperial Bank	nil	—14,000
Royal Bk. of Canada	32,050	+10,050
Tor.-Dom. Bank	30,000	+10,000
Industrial Accept.	75,000	+15,000
Cdn. Oil Cos.	18,500	—61,000
Cdn. Export Gas	239,300	—476,700
Dome Petroleum	47,700	—117,600
Home Oil Co. 'A'	4,500	—32,800
Do. 'B'	15,700	—24,000
Western Decalta	365,000	—44,875
Cons. Mic Mac	nil	—250,000
French Petroleum	nil	—150,000
Royalite Oil	nil	—200,000
Banff Oil	nil	—330,000
Hudson's Bay O. & G.	nil	—3,000
Triad Oil Co.	nil	—207,000
Trans Mtn. Oil Pipe	67,000	—178,000
Hudson Bay Mining	nil	—37,000
Cdn. Husky Oil	nil	—250,000
Cdn. Superior Oil	nil	—100,000

Baysel Shows Big Increase In First Half

Bailey Selburn Oil & Gas Ltd. reports a substantial gain in production and earnings for the first six months of 1961. Net profit was up 49% at $424,240.

Oil income, before royalties, was $1,966,504, up 8% from first half of previous year. Gross proceeds from natural gas jumped 48% to $157,365.

Daily average oil production for first half/61 reached 4,592 bbl. (4,282 bbl. for full year /60). Forecasts predict further gains in Canada's oil markets. In addition, Baysel's lands at Crossfield, Alta., are expected to provide locations for at least 10 more wells.

"The combination of these factors should result in a substantial further increase in company's oil production in second half of 1961," President George H. Sellers states in a letter to shareholders.

Average daily gas output from company's wells jumped 33% in first half to 7,032,000 cu. ft. Company expects present level of gas production will be maintained or exceeded during the period to Nov. 1/61 when deliveries will again rise sharply with commencement of export to the U. S. West Coast from company's wells at East Calgary, Pine Coulee, and Minnehik.

New natural gas projects are expected initially to increase Baysel's natural gas revenues to approximately $1 million a year, Sellers said. At the same time, company was recently granted permission to export gas from its Medicine Hat, Alta., field and negotiations for a sales contract are in progress.

Baysel's exploratory program for the remainder of 1961 calls for drilling at least 15 wells.

Winnipeg Gas First Half Net Sharply Higher

Net income of **Greater Winnipeg Gas Co.** for the six months ended June 30, 1961 showed an 83% gain over same period of previous year at $1,172,000 ($639,000). Net income for the entire 12-month period ended June 30/61 amounted to $1,022,000 ($674,000).

Total gas sales in the six months were 6,970 million cu. ft. (4,716 million cu. ft.), a gain of 48%. Customers totaled 37,006 at June 30/61 a 42% jump from same date last year.

The net income for the 12 months ended June 30/61 is somewhat higher than expected net income for the 1961 calendar year. It is expected that loss for the last half of 1961 will be greater than in the corresponding period of 1960 because of changed gas purchase contract conditions.

AT & T Troubles Won't Hit Bell

Overseas operations of **American Telephone & Telegraph Co.** have no connection with its small stockholding in **Bell Telephone Co. of Canada**, the U. S. firm says.

U. S. Department of Justice has indicated AT & T might be required to divest itself of overseas operations under anti-trust legislation.

At end of 1960, AT & T's holding in Bell Telephone totaled 3.5%. Its percentage of common stock outstanding in the Canadian utility has declined steadily since 1932 when it held a 24% interest.

OIL SHIPMENTS UP

Estimated oil shipments through the pipeline system of **Interprovincial Pipe Line Co.** for August are 432,291 b/d. This compares with actual deliveries in July of 396,455 b/d. Biggest part of the increase is in shipments to the U. S. This is said primarily due to settlement of a strike at a refinery there and return to full operation.

ANNOUNCEMENT

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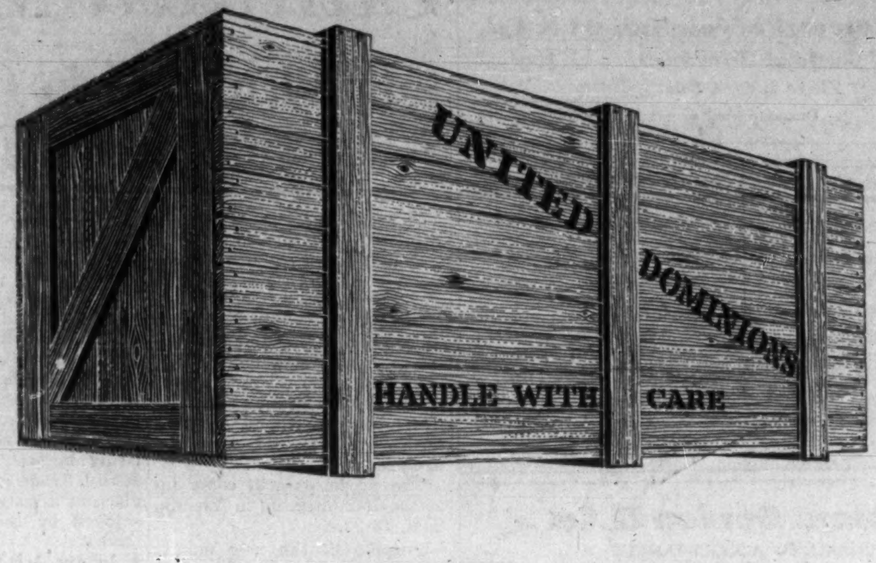
Ernest R. Perkin, President and General Manager of Purolator Products (Canada) Limited, announces the appointment of Donald E. Taylor as Marketing Manager. Mr. Taylor brings extensive experience to Purolator's filter marketing, having held senior sales positions with Ford Motor Company of Canada Ltd., Keyes Supply Co. Ltd., and most recently with United Co-Operatives of Ontario.



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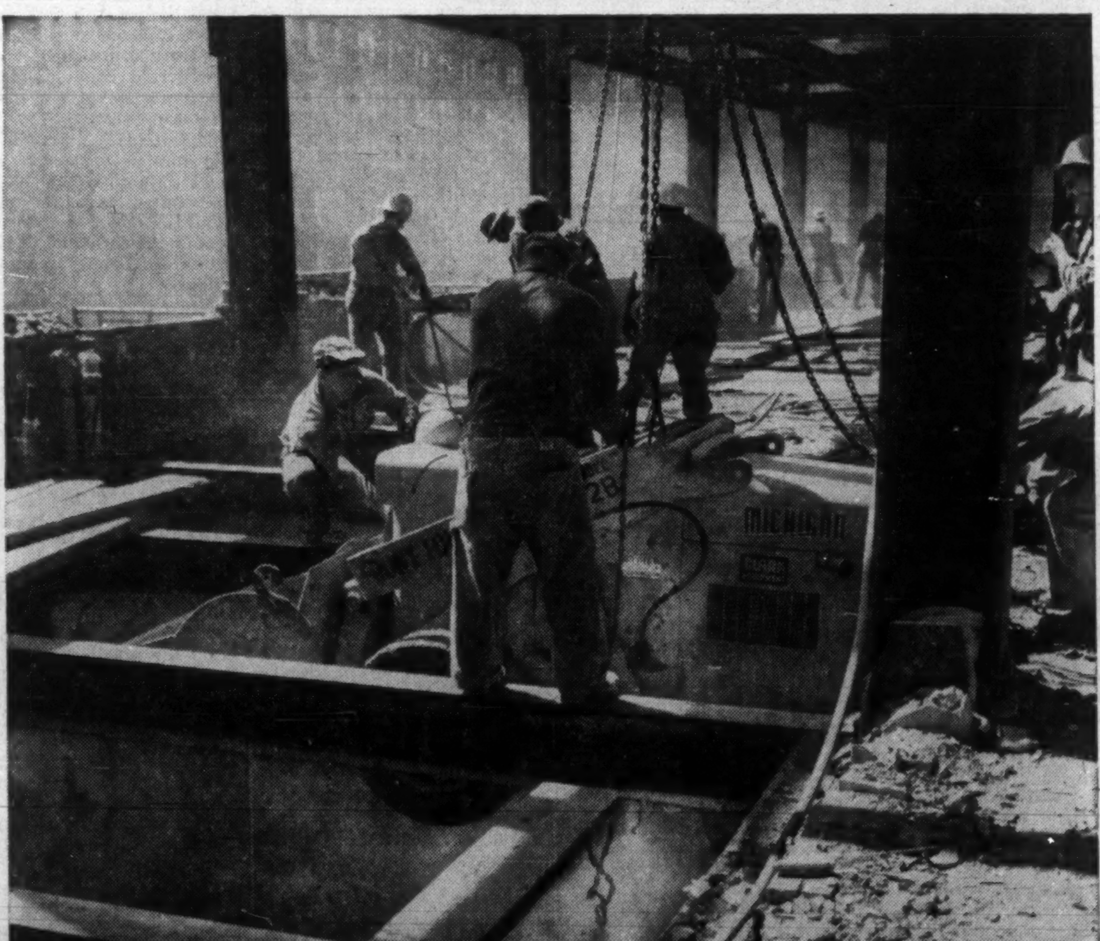

Down she goes

An unusual assignment, mechanized destruction, is the job of this Michigan Tractor Shovel. This Clark Tool of Mobility adds a new dimension to this New York City building demolition job by starting at the top (the 12th floor, in this case) and working its way down, clearing debris as it goes. Man-hours usually required for this kind of work have thus been cut in half.

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Canada May Help Shore Up US $ and £

IMF Plan to Help Out When Hot Money Flows?

By LESLIE WILSON

OTTAWA (Staff) — Canada is likely to be asked to share in providing large standby credits to ease pressure on the US$ and the pound sterling.

Figure mentioned for the fund, to be administered by the International Monetary Fund, is $8 billion.

Canada, one of nine countries which would extend lines of credit, would possibly be called upon for $300 million.

The proposals will come up at the IMF meeting in Vienna, Sept. 18-22.

Purpose of the new money would be to cushion currencies, particularly the two most concerned now, against heavy outflows of short-term capital, rather than to help overcome temporary imbalances on trading account. As such, it would, strictly, be a new function for the IMF.

Other nations contributing to the $8 billion credit would likely be: U.S., $3 billion; U.K., $1.5 billion; France, Germany, Italy, The Netherlands, Belgium and Japan, $3.2 billion combined.

The estimate for Canada of $300 million is based on the proportion of its existing contribution to IMF, but it is possible the new contribution might be somewhat less, since our monetary reserves aren't rising in the way those of most strong credit nations — among whom we are classed in the IMF — are rising.

The proposals have been under discussion here — and in financial centres around the world — for months.

They are still fluid, and the discussion has taken place mainly at the technical, civil servant levels of government, rather than ministerial.

Canada doesn't play a central part in moves of such importance as changing the activities of the IMF. Rather, she holds a watching brief. But any initiative in regard to the IMF by the U.S. or the U.K. is likely to draw Canadian support.

The new proposals will be discussed, perhaps crystallized; possibly — just possibly — approved in principle at Vienna.

Afterward, during the fall, they will be hashed over by the ministerial levels of government, and the extent of Canadian participation will be determined.

It's too early to speculate about the effects of the possible new lending policies on the domestic Canadian monetary scene. Too many conditions have yet to be defined; and any new lending may be far in the future.

The proposals depend on these premises:

• **International trade,** like domestic commerce, moves on credit. Countries settle their indebtedness, or take in their trading surplus, from time to time. Settlements take place **sometimes** in gold, but mostly in currencies acceptable to both sides. US$ and pounds sterling are the favorite currencies for settlement.

• **World trade** has been rising recently by 4% to 5% a year but the volume of world gold and currency reserves has been rising by only about 2% annually. Trade growth has taken place at a faster rate than that enjoyed by the "cushion" behind it.

• **In the last two years,** the big, prosperous European countries have removed most of the bars against converting their currencies into US$ and pounds sterling. This has revealed another big deficiency in the present structure of the IMF.

Short-term capital can now move quite freely from country to country in response to changes in interest rates or business conditions; or in expectation of upward or downward currency revaluations.

In the last 18 months, short-term capital movements put great pressure on both the US$ and the pound sterling. But as presently constituted, the IMF is debarred from giving much assistance to offset sustained capital movements.

The fund is a pool of gold and foreign exchange totaling $14.1 billion which has been contributed by 71 member countries. Each country has a quota which is equal to its contribution (Canada's quota, $550 million).

When threatened by temporary balance of payments difficulties on current account, each IMF member may withdraw from the fund, under prescribed conditions, foreign currencies equal to the value of its quota.

Although, in theory, the IMF isn't supposed to help countries suffering from capital outflows, the directors may stretch a point sometimes.

They did this two weeks ago in allowing the U.K. to borrow $2 billion to bolster its sagging reserves. The U.K.'s capital outflow problem is aggravated, however, by a rising current account deficit on trade, and shrinking earnings from overseas investment (**FP**, July 29).

Last Feb. 11, **FP** carried a special report on two plans then under discussion in world financial centres for changing the structure of the IMF.

One of these, which comes from Robert Triffin, a Yale University professor who is an authority on international monetary matters, has been largely downgraded. Triffin, it was thought, might emerge as a prime adviser of President Kennedy. He has not done so, and the prestige of his formula has suffered accordingly.

The Triffin plan would have converted the IMF into an international central bank. Each country would have paid most of its reserves into the IMF; and agreed to accept IMF deposits in payment of international claims.

Triffin opponents produced several technical criticisms of the professor's formula. But the plan has largely foundered on two grounds:

▶ **It would require a complete transformation of the functions of the IMF;** which would require elaborate and extensive renegotiation; and would endow the fund with much greater political power than it now has.

▶ **Since human beings are bound by habit,** many international economists argued that, even if a majority of creditor countries agreed to accept IMF deposits in payment of claims, the deposits could not acquire, overnight, the prestige which gold, US$ and pounds sterling now enjoy.

Another plan, put forward last spring by Maxwell Stamp, a former director of the IMF's European Department, has produced discussion but little real support.

Stamp would have the fund create international reserves by simply printing about $3 billion worth of gold-guaranteed certificates in the immediate 12 months; and thereafter in accordance with the world's need for increased reserves.

An international agency would then hand out the certificates among the underdeveloped countries of the world.

The Stamp plan, many economists argue, would create more problems than it would solve—i.e., it would be inflationary; such international free gifts as those proposed by Stamp would have incalculable effects on other forms of aid provided on more specific terms.

There remains the so-called "Bernstein plan", a suggestion of Edward M. Bernstein, for many years the IMF's director of research. Some variation of the mechanism suggested by Bernstein, **FP** understands, is the mainspring of proposals likely to be put forward by the IMF directors at Vienna, with the support of the U. S. and U. K. They would involve Canadian participation.

Bernstein originally put forward his plan at a meeting of the American Economic Association last Dec. 30. He has since elaborated on it in several papers, one of them read to the Joint Economic Committee of the U.S. Congress.

U.S. Treasury Secretary Dillon, at the same hearing, said he was in favor of changes in the IMF along the lines of those suggested by Bernstein.

Bernstein's plan has two parts:

• **Part I** (mentioned but not argued in the December paper) consists of integrating each country's working reserves with its IMF quota. This change would be as much a matter of attitude (the IMF now is supposed to help countries in real difficulties) as of mechanics, although it would probably involve changing the IMF articles which specify conditions under which the fund can make loans.

Each IMF member, Bernstein argues, should be encouraged to regard its IMF quota as something on which it can draw easily, with confidence and without hesitation.

Integrating fund quotas with working reserves would immediately add $14 billion to the present level of world reserves, now about $60 billion.

Presumably this would provide a level of reserves more than adequate to handle rising levels of international trade for some years to come.

In effect, the $2 billion loan to the U.K. implies acceptance by the IMF of this part of Bernstein's plan, or at least of the spirit of it. The U.K. quota in IMF is $2.5 billion and the major portion of this has now been integrated with the country's working reserves.

• **Part II of Bernstein's plan** consists of establishment of a new institution parallel to the IMF, but operated by it. He calls it a "Reserve Settlement Account," and it would be empowered to borrow from the main trading nations of the world stated amounts of their own currencies.

Suppose there was an outflow of $2 billion from the U.S. to the U.K., Germany, and The Netherlands, all of which presented the dollars to the U.S. for conversion into gold.

The Reserve Settlement Account would then borrow an equivalent amount of pounds, deutschmarks and guilders from the three countries and lend them to the U.S., which could use them to convert the dollar balances of the creditor countries.

The lending countries would receive gold-guaranteed certificates from the IMF and the borrowing country would pay interest. The loans would be of specified duration.

The possibility that the Bernstein suggestions are the ones favored by the IMF is supported by two circumstances:

▶ **These words** in a speech by Per Jacobsson, managing director of the IMF, in a speech to the UN Economic and Social Council in April:

"We may have to use a variety of different methods (to bolster the lending capacity of the IMF): the most appropriate seems to be the conclusion of a network of standby arrangements with the main industrial countries under which the fund will be able to use increased amounts of their currencies, whenever the need for such use would arise as part of a fund operation."

▶ **The fact that** the IMF has been turning to currencies other than US$ and pounds sterling for its loans. In 1957, all loans were in US$. Last year, almost half of drawings were in other currencies.

Of the $1.5 billion so far apportioned of the $2 billion U.K. loan, some 70% is in eight other currencies (including $75 million in C$), presumably the currencies which are most likely to be presented to the Bank of England for conversion.

In other words, the IMF seems to be attempting to encourage the use of other currencies for international settlements in a way not unlike that proposed by Bernstein.

Whether the Vienna discussions will revolve around a plan to establish a separate Reserve Settlement Account alongside the IMF; or whether the functions envisaged for such a body could be accomplished within the IMF, is a matter for speculation here.

Bernstein favored the parallel body on the ground that the IMF's present constitution shouldn't be tampered with.

This is countered here with the suggestion that the fund should be allowed to integrate its operations into the multilateral system of world payments; and that grafting the new function onto the present structure would be a move in that direction.

How Our Reserves Compare

Gold and Foreign Exchange Holdings, end of period

	1961*	1960	1959	1958
	U. S. $ Millions			
Canada	1,944	1,836	1,876	1,948
Belgium	1,420	1,422	1,222	1,340
France	2,472	2,070	1,720	712
Germany	7,047	7,158	5,015	5,226
Italy	2,947	3,079	2,953	2,075
Netherlands	1,658	1,753	1,355	1,389
U. K.	2,948	3,231	2,736	3,069
U. S.	17,435	17,805	19,507	20,582

*Holdings at April 30/61.

U.S. Gold Drain Slows

U. S. Balance of Payments

	1961*	1960	1959
	U. S. $ millions		
Balance on Merchandise trade, services	n/a	5,738	+4,894
Subtract:			
Military spending	—3,036	—3,048	—2,510
Unilateral transfers, mostly "foreign aid"	n/a	—2,415	—2,307
Capital exports, mostly private investment	—3,748	—3,856	—3,887
Balance, current account, capital exports, foreign aid	n/a	—3,581	—3,810
Offsetting items:			
Imports of foreign capital	+324	+2,427	+1,154
Gold movements (plus=U. S. sales)	†+1,384	+1,702	+2,275
Total, foreign capital and gold	n/a	+4,129	+3,429
Errors and omissions	n/a	—648	+381
Balance	n/a	+3,581	+3,810
U. S. gold stocks, end of period	17,388	17,837	20,625

*First quarter at annual rates.

†The U. S. first-quarter gold was $326 million, leaving March-end stocks at $17,388 million. Most of the drain was in the first two months. Stocks have been rising recently (they stood at $17,526 million, July 19), and The U. S. National Foreign Trade Council estimates that the 1961 loss will be only $500 million).

Service Tells the Doctor About You in an Emergency

Do you or any of your family suffer from a complaint that doctors should know about at once if you have an accident?

Among the medical problem people: diabetics, epileptics, those with allergies, special blood types, etc.

Many of these people go in fear of emergencies and accidents that incapacitate them and may expose them to needless suffering, jailings and even death because of error in treatment.

Now a group is preparing to do something for them.

Medic-Alert is being established in Ontario — and later in other provinces. Principle is that members get an engraved disc to wear indicating their condition (or a card for wallet or purse).

This gives immediate warning and more information can be obtained by telephoning to Medic-Alert's office giving the patient's serial number.

Medic-Alert was first established at Turlock, Calif., by Dr. Marion C. Collins, who almost lost his daughter through an anti-tetanus injection.

Canadian Medic-Alert Foundation is a non-profit organization working closely with Collins.

The Canadian president, Ralph E. Finkle, of **St. Lawrence Starch** and others, including Gordon Girvan of **Girvan Travel,** Toronto, are serving voluntarily.

Alec Taylor, formerly of the Community Chest, also serving voluntarily, reports strong public interest in the project.

"A brochure on Medic-Alert is on the press", he said, "and inquiries at telephone 923-5393 Toronto and by mail are quickly attended to." Address is 176 St. George St., Toronto.

Medic-Alert membership is $5 and members choose a disc on 24 in. chain, a disc for lady's charm bracelet, or simply a bracelet all in sterling silver or stainless steel.

Discs display in red enamel the foundation emblem on one side. On the other is engraved the owner's serial number and the medical problem.

Discs in regular stock include the following warnings:

Allergic to Horse Serum*	Multiple Sclerosis
Allergic to Penicillin	Myasthenia Gravis
Diabetes	Neck Breather
Epilepsy	Allergic to Bee Stings
Glaucoma	Wearing Contact Lenses
Hemophelia	Commercial Deep Sea Diver
I am taking Anti-Coagulants	Skin Diver

*This to be checked with physician to verify whether allergy is to tetanus antitoxin or tetanus toxoid or both.

Other information can be engraved, e.g. blood type and RH factor.

All serial numbered members are cross-indexed in a central file.

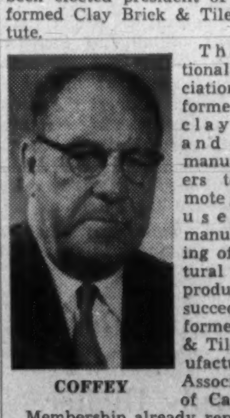
Medic-Alert's telephone at Turlock, MErcury 4-4917, accepts 24-hr. emergency calls from anywhere in the world concerning members.

A similar emergency service is planned for Toronto.

The organization is also carrying on a continuous program of public and professional education to emphasize the significance of the emblem.

Coffey Heads New Clay Brick & Tile Institute

J. J. Coffey, **Cooksville-Laprairie Brick Ltd.,** Toronto, has been elected president of newly formed Clay Brick & Tile Institute.


COFFEY

The national association was formed by clay brick and tile manufacturers to promote greater use and manufacturing of structural clay products. It succeeds the former Brick & Tile Manufacturers' Association of Canada.

Membership already represents 81% of Canada's production, and eventual inclusion of virtually all manufacturers in this field is expected.

"Our aim is a unified, continuous effort directed toward promotion, research and development of structural clay products throughout Canada," Coffey said.

Headquarters for CBTI are at 4824 Yonge St., Willowdale, Ont. Toronto advertising agency **Chris Yaneff Ltd.** will handle advertising and public relations.

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SELECTED GROWTH STOCKS

Dollar Discount is Favorable To Aluminium Future Earnings

- *Six months' profit down 13% . . .*
- *Consumers' Gas send-out up 35% . . .*

By NESTOR

ALUMINIUM LTD. reported consolidated net profit in the three months to June 30/61 of $7,397,000 (24c per share), down 16% from $8,804,000 (29c) in same period of 1960.

For the first six months net profit was $15,112,000 (49c), 30.7% below $21,819,000 (71c) in Jan.-June period of last year.

Lower net profit this year reflects lower sales and inclusion in first half of 1960 of non-recurring "other income" items. These included $4.5 million in taxable contract cancellation fees and a non-taxable profit of $1.2 million on redemption of debt. Debt redemption profit in six months to June 30/61 was $300,000.

Company expects the reduction in the exchange value of the Canadian dollar, if it prevails at current levels, will improve future earnings.

Consolidated sales and operating revenues were $250.3 million in first half of 1961 ($255.8 million a year ago).

President Nathanael V. Davis says "company's sales so far this year to regular customers in Canada, U. S. and several other markets are showing encouraging improvement but have declined in U. K. and Western Europe."

Company will invest $4.4 million to acquire additional equity stock in **Nippon Light Metal Co.** (N.K.K.) the largest aluminum producer in Japan. Aluminium first affiliated with N.K.K. in 1953, and will continue to hold 50% of the capital of the company. Other shareholders are subscribing an equal amount. N.K.K. produces primary aluminum ingot and through a subsidiary, **Nikkei Aluminium Co.**, fabricated products.

Davis says the aluminum smelter at Kitimat, B.C., which was shut down in June for repairs to the tunnel at the Kemano hydroelectric station, will resume normal operations in early September. Repairs in the tunnel will cost $2 million.

"In view of company's strong inventory position, the shutdown is not expected to cause any loss of metal sales during the period," Davis says.

Aluminum Co. of Canada's smelter at Arvida is making the first commercial tests of a new cost-saving smelting process (**FP**, Aug. 12).

At recent market price of $33¼, common stock is 23% above UV level ($27), could rise 65% before reaching OV level ($55). Price is 26.0 times 1960 earnings of $1.28 per share. Yield is 2.11% at indicated annual dividend rate of US 70c per share. Price this year has ranged between a high of $38⅛, a low of $31½.

* * *

CONSUMERS' GAS CO. send-out this fiscal year is running about 35% ahead of a year ago, indicating that volume for the year should easily attain the target of 50-53 billion cu. ft.

Total sales in 1959/60 fiscal year amounted to 37.5 billion cu. ft., an increase of 28% over previous year's 29.3 billion cu. ft.

Rate reductions and increased use of gas per customer (which lowers the price to the user) means that revenue gains will not be as big as gas volume increases. However, company confidently expects a healthy rise over last year's net profit of $5.1 million (66c per share).

Per share earnings will reflect issue of nearly 1.1 million shares under a rights issue which has raised outstanding capitalization to some 7.6 million shares (over 99% of shares offered were taken up).

Taking into account the bigger capitalization, **FP** estimates that net for year to Sept. 30/61 should be around 70c-75c per share.

U. S. Federal Power Commission has authorized **St. Lawrence Gas Co.** (a Consumers' subsidiary) to import Canadian gas to supply the Ogdensburg-Massena area of New York State (**FP**, Aug. 12).

Application of a U. S. company to supply the same area was denied by FPC. This firm can petition for a rehearing within 30 days or else appeal the decision in the U. S. courts.

Consumers' expects that if there are no further delays, it can be supplying gas this winter to major industrial customers located near the St. Lawrence River.

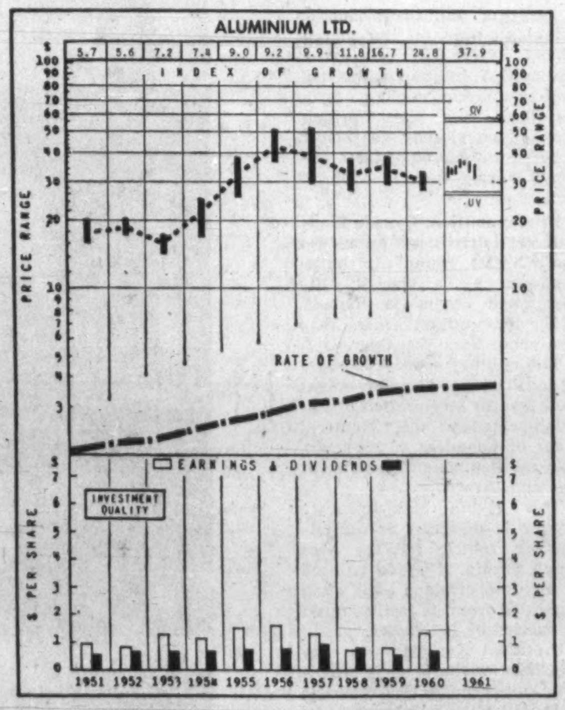
Company's latest construction project is a 30-in. trunk feeder line which will ultimately stretch across the northern boundary of Metropolitan Toronto and will make additional quantities of gas available to users in the Toronto area.

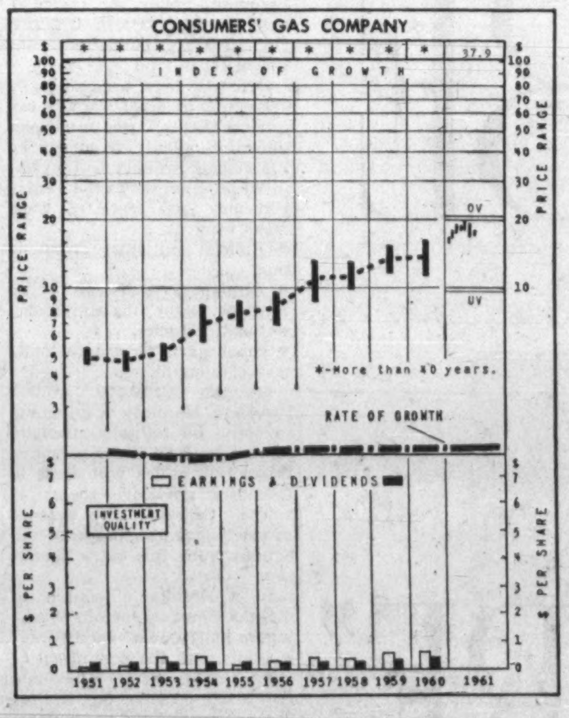
A 10½-mi. section will be built this year at cost of $1.5 million. It will run from Lisgar to Malton village and will be completed by Oct. 14.

A transmission line between Alexandria and Hawkesbury in eastern Ontario started operation at the end of July. A line linking Renfrew and Pembroke with Arnprior will come into service in second half of August.

Another line scheduled for construction will add two more Ontario communities — Alliston and Beeton — to Consumers' system. This will run from company's station at Bond Head, north of Toronto.

At recent market price of $19, common stock is 90% above UV level ($10), could rise 5% before reaching OV level ($20). Price is 28.8 times 1959/60 earnings of 66c per share. Yield is 2.11% at indicated annual dividend rate of 40c per share. Price this year has ranged between a high of $20, a low of $16.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure at 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 56 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgement as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in special article in FP Jan. 10, 1953. A limited number of reprints are available on request.*

Royal Bank Promotions in New Staff Changes

C. E. MURPHY, assistant manager, Calgary, died.

A. C. HUTCHISON, Liverpool, N.S., retired.

V. R. PHILLIPS, Saskatoon, Nutana, Sask., retired.

L. F. MAGGS, Strathmore, Alta., retired.

W. C. MacGILLIVRAY, Edmonton, 82nd & 104th St., retired.

A. W. BROWN, Melita, Man., retired.

C. L. SNYDER, manager, Victoria, to be manager, Edmonton.

E. K. UPSTONE, assistant manager, Toronto, to be inspector, Ontario general manager's department, Toronto.

T. R. McCULLOUGH, manager, Vancouver, Broadway & Granville, to be inspector, assistant general manager's dept., Vancouver.

F. J. SUTHERLAND, supervisor's dept., Regina, to be inspector, supervisor's dept., Winnipeg.

D. M. ARMSTRONG, assistant manager, 105th St., Edmonton, to be inspector, supervisor's dept., Regina.

E. J. ARCHAMBAULT, manager, Tottenham, to be manager, Newmarket, Ont.

R. M. NEASE, assistant accountant, Edmonton, to be manager, Standard, Alta.

A. D. PYNN, manager, Port Hawkesbury, N.S., to be manager, New Waterford, N.S.

M. B. MACDONNELL, manager, Strasbourg, Sask., to be manager, Atikokan, Ont.

G. F. MURPHY, manager, Cupar, Sask., to be manager, Melville, Sask.

W. D. NICHOLL, manager, Standard, Alta., to be manager, Strathmore, Alta.

L. M. PATON, manager, High River, Alta., to be manager, Camrose, Alta.

D. E. SUTHERLAND, assistant manager, Calgary, 8th & Centre, to be manager, 82nd Ave. & 104th St., Edmonton.

K. M. CLARK, Guelph, to be manager, Hepworth, Ont.

F. D. MOORE, manager, Newmarket, to be manager, Cobourg, Ont.

J. H. B. VEALS, manager, Hepworth, to be manager, Tottenham, Ont.

W. J. CORMACK, manager, Blackie, Alta., to be manager, Carrot River, Sask.

W. C. A. LANGFORD, manager, Melville, Sask., to be manager, Saskatoon, Nutana, Sask.

R. T. CUNNINGHAM, manager, New Waterford, N.S., to be manager, Liverpool, N.S.

H. S. RUSSELL, Lethbridge, to be manager, McMurray, Alta.

M. D. POLLOCK, Quesnel, B.C., to be manager, Cache Creek, B.C.

E. E. SCHEIDT, accountant, Weyburn, to be manager, Conquest, Sask.

L. H. McDONALD, manager, Carrot River, Sask., to be manager, Foremost, Alta.

A. R. NICHOLS, manager, McMurray, to be manager, Blackie, Alta.

L. A. WRIGHT, Toronto, appointed assistant manager.

W. A. DUNN, assistant accountant, Dryden, Ont., to be accountant, St. Boniface, Man.

R. K. DYCK, assistant accountant, North Surrey, Whalley, B.C., to be accountant, Hazelton, B.C.

G. C. LORD, assistant accountant, Woodstock, to be accountant, Markham, Ont.

P. J. PIRIE, assistant accountant, St. Clair & Alvin, Toronto, to be accountant, Avenue Road & Davenport, Toronto.

J. H. B. NEDERPELT, Brampton, Ont., to be accountant, Beamsville, Ont.

G. C. ABBEY, assistant accountant, Long Branch, to be accountant, Cobourg, Ont.

W. R. HANEY, accountant, Hamiota, to be accountant, Main & Mountain, Winnipeg.

G. A. HOLTEEN, assistant accountant, Yorkton, Sask., appointed accountant.

A. J. GATES, accountant, Beamsville, to be accountant, Welland, Ont.

S. A. MIDDAUGH, assistant accountant, Sarnia, Ont., appointed accountant.

L. A. STINSON, Keele & Sheppard, Toronto, to be accountant, 747 Ouellette Ave., Windsor, Ont.

E. F. SMITH, accountant, Yorkton, to be accountant, Moose Jaw, Sask.

M. J. GUAY, assistant accountant, St. Johns, Que., to be accountant, Alma, Que.

A. L. WILLIAMSON, assistant accountant, Dartmouth, N.S., to be accountant, Digby, N.S.

G. P. McCOY, accountant, Strathmore, to be accountant, Drayton Valley, Alta.

L. G. TAYLOR, accountant, Welland, Ont., to be accountant, Greater Hamilton Shopping Centre, Hamilton, Ont.

E. D. BAKER, assistant accountant, Barrie, Ont., to be accountant, Port Dover, Ont.

P. W. PRICE, accountant, Mission City, B.C., to be accountant, Nelson, B.C.

C. J. PARADIS, accountant, Alma, Que., to be accountant, Joliette, Que.

A. J. THOLL, assistant accountant, 10722-124th St., Edmonton, to be accountant, Spirit River, Alta.

D. K. MURRAY, supervisor's dept., Halifax, to be accountant, Gottingen St., Halifax.

I. L. MACLEOD, assistant accountant, 6th St. & 6th Ave., New Westminster, B.C., to be accountant, Fort St., Victoria.

D. A. H. KENNEDY, assistant accountant, Monkland & Grand, Montreal, to be accountant, Renfrew, Ont.

H. E. FISK, assistant accountant, Port Coquitlam, B.C., to be accountant, Mission City, B.C.

H. A. LEWIS, Ontario general manager's dept., Toronto, to be accountant, Yonge & Richmond, Toronto.

K. G. BRAYFORD, supervisor's dept., Regina, to be accountant, Weyburn, Sask.

A. H. SMITH, accountant, Nelson, B.C., to be accountant, Abbotsford, B.C.

R. F. ANNINGSON, assistant accountant, St. Catherine & Greene, Westmount, Que., to be accountant, Riverside Drive & Brookfield, Ottawa.

R. S. PALMER, accountant, Fort St., Victoria, to be accountant, Langley, B.C.

W. R. PENNER, accountant, Abbotsford, to be accountant, Burnaby, B.C.

K. R. GUSTAVSON, assistant accountant, Penticton, B.C., to be accountant, Hornby & Nelson, Vancouver.

R. P. S. RUTTLE, assistant accountant, Arbutus & 16th, Vancouver, to be accountant, Oakridge Shopping Centre, Vancouver.

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These Scientists May Shock the Cottagers

They'll Study the Effects Of Nuclear Plant on a Lake

By W. L. DACK

Cottagers and homeowners along a section of Lake Huron shoreline are in for some surprises this week.

They will see the clear waters of the lake suddenly turn bright scarlet.

Unexplainable clouds of smoke will blot out the sun for brief periods.

In the vicinity of Douglas

CAPT. A. HODGE

Point they will see a strange 125-ft. black, white and buff-colored ship furiously belching forth smoke while brightly colored balloons ride on cables far above the ship's deck.

It is part of an intensive study of the winds, currents, plant and animal life in the area.

Nearby will be located Canada's big new nuclear power reactor—the $80 million atomic power plant being built by **Atomic Energy of Canada Ltd.** between Kincardine and Port Elgin.

When it comes into operation in 1965 it will discharge 200,000 gal. per minute of heated water into the lake.

AECL wants to know where this water will go and what effect it will have on the environment.

It wants to build up a fund of information on the prevailing winds, currents, plant and animal life before the nuclear plant comes into operation. These conditions can then be readily compared with those prevailing after the plant is operating.

The intensive study is being carried out by the Great Lakes Institute — an organization formed last year by the University of Toronto and supported by federal and provincial agencies.

The institute's floating laboratory is the Port Dauphine, with its 24-man complement—including eight scientists. It will be the operational heart of the Douglas Point project for the next week or so.

Lanky, rapid-talking R. E. Deane, professor of geology at U of T is co-ordinator of the integrated program.

It is Deane and his team who are turning Lake Huron scarlet this week. It's being done with special, powerful dyes. Trained observers on shore and in small boats will follow the progress of the red dye.

Under water—skindivers will also be following with an underwater movie camera the

PORT DAUPHINE—former Navy submarine gate lifter—now heavily laden with scientific instruments.

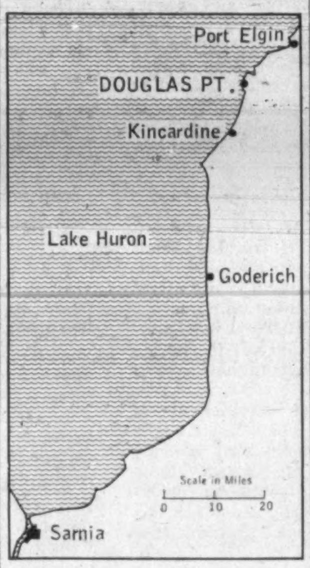
movement of the current as marked by the dye.

The atmospheric investigations are being done by the Meteorological branch of the Department of Transport. A fog generator is part of the equipment of the Port Dauphine. This is what's raising all the smoke this week. The smoke helps trace the air movements, which in turn affect the lake currents.

Kytoons—a sort of cross between a kite and a balloon—will be released from the ship on cables. They will carry radio instruments to transmit information back to the ship on air temperatures, humidity, etc.

The water to be discharged back into the lake from the nuclear plant will be used to condense the steam used to drive the turbines. It is taken from the lake and passed through the condenser where it cools the steam but in the process its own temperature goes up a few degrees. It is then returned in an open cycle to the lake.

The present study is one of thermal pollution only—the effect of heated water. But at the same time plant and animal life in the lake will be checked to establish their present natural level of radioactivity.



The results can be compared with those prevailing following operation of the plant.

This will disclose any unusual build-up in radiation.

The longer - term study of plant and animal life is expected to be carried on over the next three years. Extensive sampling of the lake bottom will be done for several miles on either side of Douglas Point.

The Port Dauphine is operated by DOT. As well as being an integral part of the Douglas Point project, it is the heart of the institute's longer-term extensive research work over the entire Great Lakes. Last year the ship cruised 16,000 mi. in its investigations. It can operate throughout the year.

The institute was formed in May last year by U of T. Program directors are all members of the staffs of Ontario universities and of the meteorological branch of DOT and the Ontario Water Resources Commission.

The research staff and equipment are available for special municipal, association and company projects as well.

But the institute has a much broader objective.

The lives and activities of some 30 million people are closely tied to the lakes. They use them as a source of water for municipal and industrial purposes, for power, transportation and recreation, as a convenient place to dump waste, and for commercial fishing.

"We see a growing need for regulation of these uses if the quality of the water is to be maintained," says Deane.

By the year 2,000 it is conceivable that twice as many people will be living in this area.

The big question is this:

Can the Lakes supply all the needs of this many people?

It is the purpose of the Institute by that time to know sufficient about the lakes so that regulations can be formed which will produce the desired effect without upsetting the balance of nature.

ANNOUNCEMENT

EDWARD DALTON COMPANY APPOINTMENTS

T. R. BENGTSON

R. H. HANKO

Edward Dalton Co., a Marketing Division of Mead Johnson of Canada Ltd., responsible for the distribution of Metrecal, Pablum and Nutrament, announces the appointment of Tor R. Bengtson as Sales Director and Richard S. Hanko as Marketing Director.

Mr. Hanko brings to his new position a broad background of advertising, marketing and brand management in food and drug fields. Mr. Bengtson comes to the new post with an extensive experience in all phases of sales and management in both Canada and the United States.

The announcement of these appointments was made by David L. Menzies, President of Mead Johnson of Canada Ltd.

Calgary & E. Corp. Product Sales Rise Profits Jump 82%

Profits of **Calgary & Edmonton Corp.** jumped 82%, to $1.8 million or 28c share, in first half 1961.

President A. Clark says improvement over first half 1960 is due to 12.5% increase in oil revenue, a 192% gain in gas products income and lower exploration expenses.

Crude output averaged 3,007 bbl. daily in first half (2,673 bbl. in first half 1960), gas sales averaged 10.3 million (3,930 million) cu. ft. daily.

Company drilled two oil wells on its own account in the Crossfield area, one other was drilled in which it has a royalty interest. Three oil wells were drilled in the East Harmattan area (royalty interest) and one oil well drilled in the Westward Ho region in which company has a royalty interest and 12½% participating interest. A shut-in gas well was also drilled in the Elkton-Harmattan area.

Here are Calgary & Edmonton results:

	First Half 1961	First Half 1960
	$	$
Revenue	1,805,289	1,411,748
Operating expenses	435,068	322,602
Depletion, etc.	211,206	570,922
Taxes	473,550	142,600
Net earnings	685,465	375,624
Per share	28c	16c

Our Defence Industries May Get New U.S. Orders

From Our Own Correspondent

WASHINGTON — There may be more money for Canadian defence industries in the new U. S. military build-up in the Berlin crisis.

Officials here are taking a close look at what Canada can produce better, faster or cheaper than U. S. plants. A survey by **FP** among military authorities in Washington shows the Pentagon may buy more of these items from us:

- **Bullets** and other ammunition.
- **Airplanes,** especially the transport plane, the Caribou.
- **Small vehicles.**
- **Small parts** for general military equipment.

Of the US$3,500 million President Kennedy is planning to spend on military strength, more than half is for procurement. How much will come to Canada is anybody's guess.

The Canada-U. S. defence production sharing program will benefit from this extra spending.

It will take a couple of months, however, before Washington nails down exactly what it wants with the new procurement money. Some immediate orders will be going out, but for any substantial orders, a time-lag is inevitable.

Most of the new U. S. defence business going to Canada will come in the general "nuts and bolts" category of providing small parts for general military equipment.

These will be largely subcontracting orders from U. S. plants, rather than direct Pentagon orders.

The biggest chance for Canadian defence industry, however, lies in the future U. S. orders of the **de Havilland** Caribou, a favorite U. S. Army transport plane.

The Toronto plant already is working on a project to produce a second generation of this aircraft which can take a much heavier load.

However, with the production lines still open on the current model, there is speculation among U. S. military authorities that new orders might go to de Havilland for the Caribou. Washington already has placed orders for about 60 of these aircraft, costing roughly $500,000 each.

In ammunition, Canada likely will get fairly large orders for the "NATO round", a bullet produced by a Quebec City plant and others in Canada. Other ammunition orders may also come from Washington.

The military speed-up ordered by President Kennedy might well lead to acceleration of development by the Montreal plant of **Canadair** of its small, tracked, lightweight vehicle for the U. S. Army.

This ½-ton high mobility carrier is designed as an all-purpose vehicle for use over rough terrain. It would be used in airlift operations and, when separated from its trailer, could be carried by helicopter.

President Kennedy put considerable emphasis on improvement in the U. S. airlift capacity. This will not likely mean any renewed Pentagon interest in Canadair's CL-44, but it still could mean more attention paid to the plane by U. S. private air carriers whose aircraft might be "called up" in any Washington airlift emergency.

Brazilian Traction Power Sales Up

Brazilian Traction, Light & Power Co., Toronto, reports the following combined results for its operating subsidiaries in Brazil for the six months to June 30/61:

Electric power sales rose 10.5% to 4,940 million kwhr (4,472 million kwhr like 1960 period).

Telephones in service increased 28,503 to 800,140.

Gas sales declined 1.9% to 5,585,461 mcf (5,692,381 mcf).

Revenue passengers carried on tramways declined 25.4% to 121,858,067 (163,433,157).

ANNOUNCEMENT

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B. C. Power May Fight Its Way Out

Company Considers Steps Into New Business Lines

By NEVILLE NANKIVELL

B. C. Power Corp. may not throw in the towel after all (**FP**, Aug. 12).

Newly appointed chairman and president A. Bruce Robertson says the company is considering possibilities of embarking on new lines of business.

But, he told FP, "the paramount job now is to get the compensation offer increased."

The two jobs will proceed hand-in-hand, with emphasis on compensation.

Most observers feel that if the $38 a share offer is increased by the British Columbia government, then B. C. Power Corp. will accept government's offer to take over its few remaining assets as well as **B. C. Electric Co.**

If the $38 offer isn't increased, there could be a possibility that new ventures would be undertaken.

Robertson, a lawyer, was vice-president of B. C. Electric Co., the B. C. Power operating subsidiary expropriated by the government.

The takeover provided for a $111-million payment for B. C. Electric common shares and a further $68.6 million for remaining B. C. Power assets if company elected to sell them.

The total of $179.6 million works out to $38 per B. C. Power common share. At midweek shares were trading at $33½. They were slightly higher at time of takeover.

Directors consider the compensation terms inadequate.

Robertson describes the present situation as "completely unsettled". When the dust does clear, a general meeting will probably be called to decide what the company will do.

If it's decided to accept the government offer, then remaining assets will probably be sold and company voluntarily liquidated. On liquidation all there would be to distribute would be the $179.6 million.

If it's decided to carry on, investing present capital in other ventures, then it is hoped arrangements can be worked out to leave choice of staying or getting out up to the individual shareholder.

Robertson's own personal view it that it's not fair for any shareholder to be locked in because of a majority vote.

The $111 million received from the province has been invested temporarily in short-term securities (deposit receipts).

The other $68.6 million will carry interest of 5% from Aug. 1/61 until date of government payment or July 31/63, whichever is earlier.

Company is hoping for direct negotiations with Premier Bennett for increased compensation. Bennett was in Prince Edward Island at midweek attending a provincial tax meeting, and talks had not been held with him up to then.

Other takeover developments:

- **A write-to-Bennett-and-protest campaign is under way.**
- **The $100-million B. C. Electric 5% parity bond issue was a sell-out.**
- **New management of B. C. Electric** is pushing ahead with plans to develop the $638-million Peace River hydro scheme.
- **It looks as if B. C. Electric's new thermal plant,** now under construction, will be cut back because of the Peace River development.
- **There's still confusion over trading** of B. C. Electric preferred shares.
- **Negotiations to set a price on Peace River Development Co.** plans and surveys were to start this week.

Dr. Gordon Shrum, new chairman of B. C. Electric, told **FP** the changeover from investor-ownership to public ownership is rolling along smoothly.

He said preparatory work is beginning for the first Peace River scheme dam.

He has had discussions with **International Power & Engineering Consultants Ltd.** on this matter. IPEC is the firm which made the original Peace River surveys. It is 50% owned by B. C. Power Corp., one of the holding company's few remaining non-cash assets.

(Other assets are an interest in **Western Copper Mills Ltd.** through its subsidiary **Western Development & Power Ltd.**, which owns about 20% of Peace River Power Development shares; some real estate investments, some debentures in **Van-Tor Oils & Explorations Ltd.**, and an interest in **Pleasant Valley Gas & Oil Co.**, engaged in development of underground gas storage facilities in Washington state.)

Shrum said "We're pushing hard to get an access road and bridge in" for the first Peace dam project. Other work now starting includes transmission line surveys and surveying for a diversion tunnel for the dam.

Shrum indicated that plans for the $100-million Burrard thermal electric plant will be changed because of the Peace River work.

Original plans called for a six-unit 1.2-million-hp plant, with first unit to be tested this fall.

"There's been no firm decision yet," Shrum told **FP**. "But I think it's a question of three or four units now rather than six."

Investment dealers, following on the heels of some hard-hitting criticism of the takeover handling and terms by Arthur J. Milner, president of the Investment Dealers' Association of Canada (**FP**, Aug. 12), are urging clients with shares in B. C. Electric and B. C. Power to write to the provincial government in protest.

Corporate shareholders, such as **Investors Syndicate Ltd.**, are also urging the government to reconsider the financial arrangements involved.

The Winnipeg-based firm has several million dollars invested in the utility.

T. O. Peterson, president, told **FP**, "We've made our position clear to the government," but there has been no word back yet.

Investors Syndicate won't lose at the $38 figure, but company feels the price should be higher.

At midweek there was still no further word on status of trading in B. C. Electric preferred shares around time of the takeover. Province is issuing fixed-interest securities, at same rates, to replace these issues.

Stock exchange suspended trading three days after takeover when it was learned that transfer agent had closed books on the shares.

Shrum says it will be about two weeks before the new securities are issued in exchange for the preferred stock.

The engraving and printing has been ordered to proceed as fast as possible.

The exchanges have warned brokers that trading in shares not able to be transferred may be void. Some shares sold before the takeover also didn't get transferred in time.

Shrum, however, is optimistic that something will be worked out and all parties will be looked after satisfactorily. Others have their doubts.

The B. C. Electric parity issue is a huge chunk of bonds for the province, but there was no trouble in selling them. Eastern Canadian investors also participated.

This dispelled Eastern comment that the province might find it difficult to place big issues in any one year.

The latest issue comes on top of a $50-million **B. C. Toll Highways & Bridges Authority** parity bond issue last July. In previous years the province, which guarantees bond issues of its agencies, has gone to the market in lumps of $15 million to $35 million, and usually no more than three issues of this size in any one year.

The parity feature of these bonds means the government will undertake to redeem them at face value at any time. Because they are readily convertible to cash, they trade in the open market at prices higher than par, and the government so far has never had to redeem one.

With the recent bond issues and the liabilities of B. C. Electric, the province's indirect debt has now soared to more than $1,300 million — double what it was before the takeover.

Power Export Bids Dusty Blame Delays on Columbia

OTTAWA (Staff) — Speculation is growing here that delays in National Energy Board decisions on a group of applications for power exports are tied to the federal government's dilemma on the Columbia.

Since last October, the board has heard applications from nine power companies for licenses to export continuous (firm) and interruptible power which, taken together, are 23% greater than present authorizations for the former, 63% for the latter.

Only one decision has been handed down—eight are hanging fire.

The nine companies, together with requests and present licenses, are listed in a table on this page.

Among applications hanging over for months:

- **A B.C. Electric** application (its status isn't affected by the fact that the B.C. government is taking over the shares of the company) for firm and interruptible power exports to utilities in the Pacific Northwest was heard by the NEB in March.
- Applications for power export licenses from **Maine & New Brunswick Electric Power Co.**, New Brunswick Electric Power Commission and **Canadian Niagara Power Co.** have been outstanding since last October-November.

Present power export policy is restrictive. Few licenses are given, and these are renewable every 12 months.

All of the requested new licenses are for extended periods —from five to 25 years.

If the present applications were granted, the historic policy of restricting power exports to the U.S. would be badly strained. The effect would be to change the policy.

Since retention of maximum downstream Columbia benefits in Canada is the basis of the federal government's bargaining position with B.C. on the Columbia, some observers here believe that the National Energy Board will be discouraged from reporting on the delayed applications until the Columbia matter is settled.

The only decision so far handed down permits **Fraser Cos.**, Edmundston, N.B., to export up to 105 million kw in 1965 to a Maine subsidiary.

Some of the applications have required re-examination and some are new:

- Two Ontario Hydro applications, heard last November, were reheard in July. Further hearings are scheduled next month.
- Applications for new exports by **Ontario-Minnesota Pulp & Paper** and **Southern Canada Power** were heard by NEB in July. Presumably these wouldn't be ready for some time even if the board wanted to deliver them quickly.

Who Wants to Export

Licence Requests Pending Before National Energy Board

	New Applications for Pwr. Exports		1960 Licence Authorization	
	Firm Power	Interruptible Power	Firm Power	Interruptible Power
	million kw/hr.			
Marine & N.B. Elect. Power Co.	85.0	....	43.9	....
Fraser Cos.	105.0	....	13.2	....
N.B. Elect. Power Comm.	....	62.8	....	307.7
Ontario Hydro	394.2	7,105.0	395.3	5,402.2
Cdn. Niagara Power Co.	327.6	243.3	327.6	243.3
B.C. Electric Co.	9.5	2,100.0	....	....
B.C. Power Commission	....	215.0*	....	....
Southern Can. Power	15.1	77.5	6.6	....
Ont. Minn. P. & P.	87.0	....	48.3	....
TOTALS	1,023.4	9,703.6	834.9	5,953.2

INDUSTRIAL BROCHURE

Industrial Development Department of City of Regina has published new brochure, "Looking into Regina", for distribution across Canada, U.S. and abroad. Material covers: industrial sites and services; potential new industries; markets and transportation; major employers etc. No charge.

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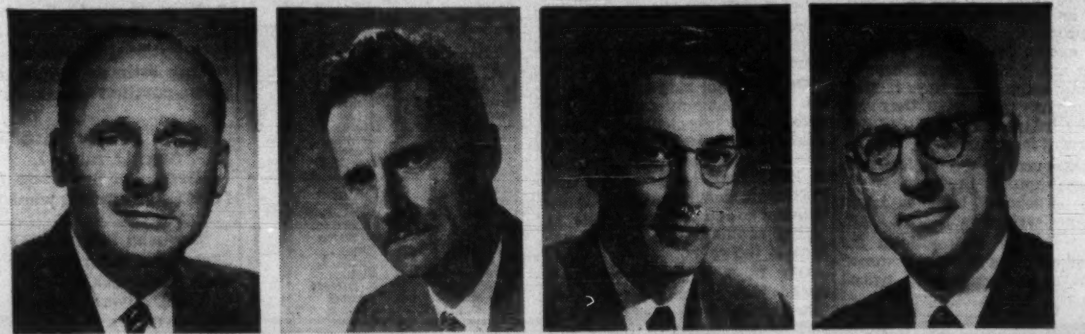
COMBINED ENTERPRISES EXECUTIVE APPOINTMENTS



R. H. HOPPE M. C. STAFFORD C. H. TOD, C.A. J. O'H. TURNBULL

M. O. Simpson, Jr., President of Combined Enterprises Limited, announces four new executive appointments.

Robert H. Hoppe is appointed Senior Vice President, Combined Enterprises Limited, resident in Montreal. Mr. Hoppe, who is President of Stuart Brothers Company Limited, Stuart Brothers Inc., New York, and Stuart Brothers (West Indies) Limited, Port of Spain, Trinidad, will have executive authority for the operation of these C-E-L subsidiaries as well as the newly acquired Co-operative Lime Juice and Products Company Limited, of Trinidad.

Merrill C. Stafford, President of Turnbull Elevator of Canada Limited, is appointed Vice President of C-E-L's Elevator Division, with executive responsibility for the Company's two elevator subsidiaries, Turnbull Elevator and the newly acquired Watson Elevator Company Inc., of New York.

C. H. Tod, C.A., is appointed Vice President and Secretary-Treasurer of Combined Enterprises Limited.

James O'H. Turnbull is appointed Vice President of C-E-L's Industrial Division, with executive responsibility for: American Wringer Company, Eastern Steel Products Company, Hamilton Gear and Machine Company, St. Lawrence Rubber Company, C-E-L's Automotive Division, and the newly acquired Frink Sno-Plows Inc., of New York.

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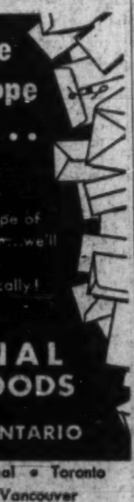

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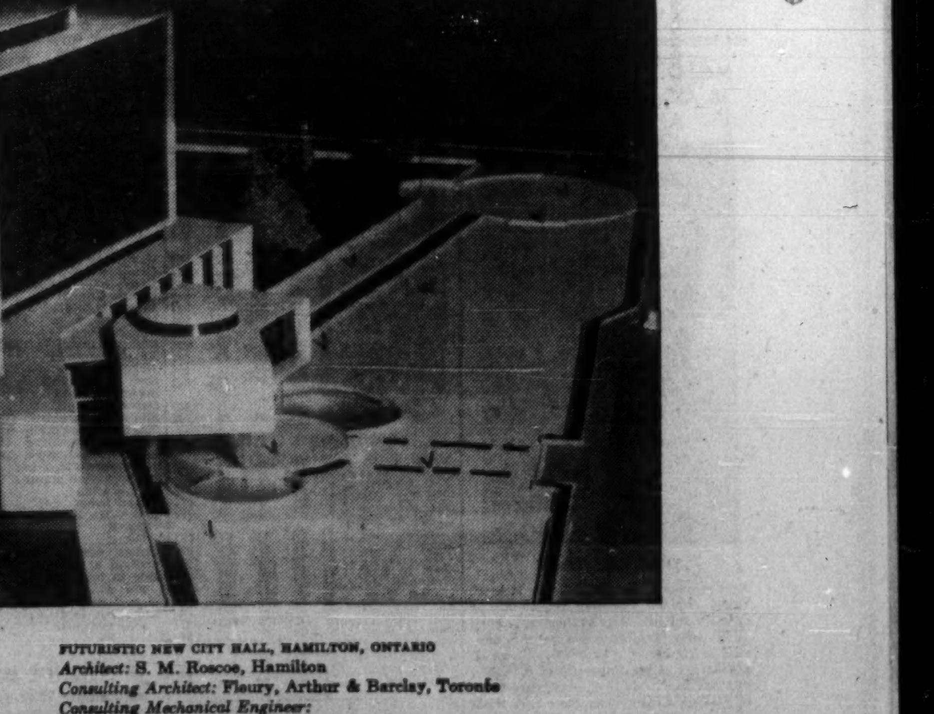

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L. H. Schwindt Co. Ltd., Hamilton
Associate Consulting Engineer:
C. S. Leopold Engineers Inc., Philadelphia
Mechanical Contractor: Goodram Brothers Ltd., Hamilton

FP rounds up MARKET COMMENT

The market is providing a remarkable display of strength in the face of tension over Berlin.

Although buying interest has dwindled somewhat this week there is no evidence as yet of any nervous unloading of stocks. Most investors appear determined to ride out the situation in the belief that a last-minute compromise will be negotiated.

The inflationary implications of the stepped-up U. S. defence spending and the strong promise of further business upturn this fall are powerful forces holding investors in the market.

* * *

ARNOLD PLAXTON; McDonnell, Adams & Co. (Toronto)

As long as we have a surplus of human and material resources, government deficits should be viewed as constructive, as they will increase demand for labor and its products, now in plentiful supply.

If excess government expenditures are widely spread throughout our economy in ways tending to increase production they will not be inflationary until full employment is approached.

Consequently we believe the present upturn in business activity is soundly based and will continue well into 1962 at least.

In view of the outlook for higher earnings selected common stocks appear reasonably priced at current levels, especially those issues where increases can be projected over the next three or four years or longer.

In some quarters the comparison between yields on bonds and common stocks is pointed out to the disadvantage of the latter. We do not believe this is a specially valid criterion as dividends on common stocks can be revised upward while bond interest, of course, is fixed.

Surplus earnings accrue to the equity so it seems to us that a much better comparison is the earnings yield, which, at current prices, in many sound stocks ranges up to 8%.

Stocks we are recommending at present include **Traders Finance, Northern Ontario Natural Gas, Consumers' Gas** and **Dominion Foundries.**

Our leading life insurance stocks look attractive compared to similar U. S. issues. We especially like **Great-West Life** and **Crown Life.**

* * *

E. G. BULMER; Trends & Timing Ltd. (Toronto)

The money supply is continuing to increase at a steady pace, and the markets have more or less followed the pattern envisaged in our comments appearing in the **FP** April 1 issue.

There is no doubt that the expected economic recovery is now taking place, and it only remains to be seen whether or not the improvement will generate sufficient business activity to provide the increase in earnings per share that the markets are anticipating.

The authorized increase in spending in conjunction with the step-up in the preparedness program in the U. S. can only be interpreted as being on the inflationary side of the ledger.

This, coupled with an increasing money supply and an anticipated return to boom business conditions, leads us to the opinion that we can expect the market to continue its upward trend for at least the next three to six months.

* * *

GORDON INCE; Molson & Co. (Toronto)

At no time is the market clearly black or white and the present is certainly no exception. In fact, there have been few periods in the past when all the varied factors which contribute to decisive action were more conflicting than today.

Those which prompt the investor to remain on the sidelines are

(1) the continuing unsettled international situation with Berlin in the starring role

(2) the age-old question of "How high is up?"

(3) the inability of the majority of companies to report increased six months earnings to support existing market values based upon a reasonable multiple of earnings

(4) the austerity budget in the U. K. which, with its deflationary effects, might develop further difficulties for Canadian exports as well as the syphoning off of short-term funds from this country with a natural subsequent effect on our interest rates

(5) the hastily prepared and basically unfair legislation by the B.C. government for expropriation of **B.C. Electric** which has shaken the confidence of foreign investors in Canadian securities generally.

On the other side of the ledger the U. S. economy could show a defence-fed acceleration which might well reflect in substantially increased corporate earnings in 1961's fourth quarter and into 1962. This deficit spending is inflationary and should result in higher profits and a general upturn in the economy.

One U. S. authority has estimated that average earnings on those stocks which comprise the Dow Jones Industrial Index will be more than 10% higher in the first half of 1962 than the best calendar year on record. How much of this impetus will spill over to the Canadian economy is a question.

Weighing these pros & cons, we continue to have confidence in better quality Canadian equities and recommend that balanced portfolios be kept fairly well intact. The exception would be those investors who have procrastinated over spring-cleaning their portfolios earlier.

In what has been — and we think will continue to be — a selective market, they have watched their poorer-grade hopefuls still near the starting gate despite the daily newspaper reports of a booming market. The current lull presents an excellent opportunity to upgrade their holdings. As replacements we favor **Price Brothers, Interprovincial Pipeline, McIntyre Porcupine,** selected steels, certain utilities and, as always, the bank stocks.

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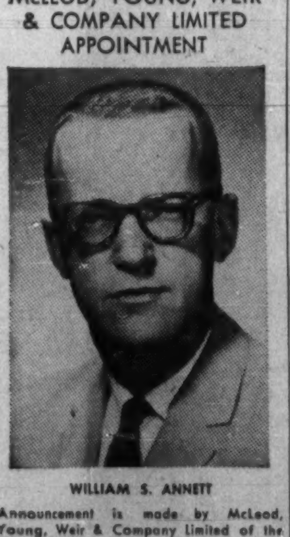
McLEOD, YOUNG, WEIR & COMPANY LIMITED APPOINTMENT



WILLIAM S. ANNETT

Announcement is made by McLeod, Young, Weir & Company Limited of the appointment of Mr. William S. Annett as a Sales Representative in the company's Winnipeg office. Mr. Annett is a graduate of the University of Manitoba and has had wide investment experience in Western Canada and New York. Prior to joining McLeod, Young, Weir & Company he was Director of Education for The Investment Dealers' Association of Canada.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Aug. 15, 1961

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
[illegible]					

Industrial Issues: [illegible]

CONVERTIBLE ISSUES: [illegible]

BOND TENDERS

12 Noon, Aug. 17, 1961, Government of Canada, Treasury Bills — Due Nov. 17, 1961 and Feb. 16, 1962, $120,000,000. Dated Aug. 18, 1961.

Options on Stock

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90-Day Call Offerings per 100 Shares at current market prices

Aug. 14, 1961

Alta Gas Tr	275	Irish Copper	22
Aluminium	290	Kerr Addison	110
Atlantic Coast	125	Lakland Nat Gas	50
Atlas Steels	225	Leitch Gold	32
Bailey Selb A	100	M Loeb	185
Bralorne Pion	75	Macassa Mines	40
B-A Oil	200	Madsen Red Lk	35
Brnswick M & S	30	Maritimes	22
Campbell Chib	110	Massey Ferg	125
Cdn Brit Alum	160	Monarch Food	140
Cdn Celanese	290	Opemiska	90
Cdn Delhi	60	Oshawa W'sale	250
Cdn Export Gas	30	Pac Pete	125
Cdn Husky Oil	90	Provo Gas	35
Central Del Rio	80	Rio Algom	110
Central Pat	100	A V Roe	80
Cons Discovery	45	Royalite Oil	125
Cons M & S	80	Salada Shirriff	175
Copper Rand	30	Sherritt Gord	75
Denison Mines	175	Siscoe Mines	40
Dist Seagrams	350	Steep Rock	100
Dom Stores	170	Tra Can Pipe	240
Giant Yk	125	Trns Mtn Pipe	150
Gunnar Mines	110	United Oils	30
Hollinger Cons	275	West Coast	210
Imperial Oil	325	Willroy Mines	38

Unlisted Mines and Oils

By Brokers Dealers Assoc. of Ont.

Approximate quotations 3:30 p.m. Aug. 14, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
[illegible]					

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	[illegible]	[illegible]	$24.00
Hogs	[illegible]	[illegible]	25.00
Copper, lb.	[illegible]	[illegible]	.33
Coffee, lb.	[illegible]	[illegible]	.36¼
Sugar, raw, lb.	[illegible]	[illegible]	.0640
Hides	[illegible]	[illegible]	.11½
Eggs	[illegible]	[illegible]	.33½
Cocoa	[illegible]	[illegible]	.28½
Lead	[illegible]	[illegible]	.12
Wool	[illegible]	[illegible]	1.13
Zinc	[illegible]	[illegible]	.13

Weekly Commodity Indices

	Latest	Previous	Same week last yr.
Dow Jones Fut.	147.79	147.44	143.56
U. S. Labor	118.9	118.7	119.4

Monthly Price Indices

	Latest month	Previous month	Same month last yr.
Retail C.P.I. (July)	129.0	129.0	127.5
Canada (D.B.S.) W'sale (June)	231.4	231.5	232.4
C. F'm P. (Jun.)	218.5	213.8	231.7
U. S. W'sale (Apr.)	119.4	119.8	120.3
Gt. Brit. W'sales (Apr.)	113.1	113.0	110.3

Base of price quotations is as follows: Cattle-Steers good up to 1,000 lb., Toronto. [illegible] New York. Coffee No 4 Santos. Raw Sugar 96 degrees centrifugal [illegible]

Mutual Funds

	Divd. pd. cents	Bid	Ask.
[illegible]			

CHANGE OF NAME

Canadian Warehousemen's Association has changed its name to Canadian Warehousing Association. Address remains at 129 Adelaide St. W., Toronto. H. Cecil Rhodes is managing director.

FP reports on COMMODITIES

By JOHN SOGANICH

WHEAT FUTURES in Chicago have performed strongly in recent sessions. December new crop futures early this week were US$2.07 (US$2.05⅛). A month ago they were US$2.02.

Some factors:

- **U. S. Department of Agriculture** has forecast wheat production in 1961 crop year, as of Aug. 1, at 1,204,096,000 bu., down 4% from its July 1 estimate and 11% below 1960's 1,350,339,000 bu.
- **Average cash return** to U. S. farmers for their wheat in July was the highest it has been in four years.
- **Flour millers** have been in the cash market on a large scale.
- **Wheat movement** to market in the southwest states has been only about one third of last year's total up to this time, emphasizing the strong holding policy by farmers (**FP**, July 29).
- **It is felt** that usual deferment of income from wheat sales to next calendar year for tax purposes is a factor and the 1962 wheat support loan set at US$2 per bu. (up from US$1.79 this year) has also encouraged this holding movement, **Merrill Lynch, Pierce, Fenner & Smith Inc.** says.
- **Next year's U. S. wheat program,** for participating farmers, will call for a minimum 10% acreage reduction and an additional 30% optional reduction.
- **One estimate** is that 1962 wheat acreage would be 45 million acres, smallest wheat acreage since records were begun in 1919.

* * *

Corn futures have rallied somewhat after sharp declines (**FP**, Aug. 12, Aug. 5).

December new crop futures were US$1.16⅝ early this week (US$1.15 early last week).

* * *

Soybean futures have continued their decline of recent weeks. September futures were US$2.46¼ early this week (US$2.47⅞ early last week).

U. S. government's crop forecast for soybeans, issued late last week, is for a U. S. crop of 683 million bu., 22% above 1960 and 75% above 1950-59 average. Forecast is for output to be 18% above previous record output, in 1958.

The crop estimate well exceeded private guesses.

There has been a fair deal of liquidation in the September contract.

Cumulative exports for the season stood at 120.7 million bu. at latest report (121.9 million bu. year earlier).

Here's how soybean futures have moved in recent weeks (price per bu.):

	Latest	Aug. 8	Aug. 1	July 25
	$ (U.S.)			
Sept./61	2.46¼	2.47⅞	2.51⅝	2.59¼
Nov./61	2.42⅜	2.44⅝	2.44¾	2.50½
Jan./62	2.46½	2.48¾	2.49¼	2.54¾
Mar./62	2.50½	2.52⅝	2.52¾	2.58¾
May/62	2.53¼	2.55½	2.55¾	2.61⅞

Winnipeg grain futures are higher. October futures early this week were: **Flax,** C$3.82¼ (C$3.80 early last week); **oats,** $1.00¾ (96⅞c); **barley,** $1.29⅝ ($1.26¼); and **rye,** $1.27½ ($1.26⅞).

Searle Grain Co., Winnipeg, estimates Canadian 1961 production, as of Aug. 1, as follows: Flax, 14.4 million bu. (22.7 million last year); oats, 168.5 million (304.0 million); barley, 110.2 million (201.0 million); rye, no estimate (7.9 million).

* * *

Grease wool futures are higher. December futures were US$1.260 early this week (US$1.233 early last week).

Commission house buyers renewed their support on the basis of tightening domestic (U. S.) supplies and prospects of stepped up U. S. government buying for military needs, says **T. A. Richardson & Co.**

With the bulk of the new U. S. clip already sold by growers government buying could tighten the market, **Bache & Co.** says.

* * *

Maine **potato** futures have drifted lower, influenced by U. S. government's report showing that higher acreage has been seeded this year and a higher yield per acre is expected.

November futures early this week were US$2.18 (US$2.21 early last week) while March futures early this week were US$2.47 (US$2.49 early last week).

* * *

Trading volume on U. S. commodity exchanges almost doubled in the first six months of 1961 over like period 1960, Association of Commodity Exchange Firms Inc. reports. Volume was up 96.5% to 3,493,388 contracts in the first six months.

Biggest gain was registered on the Chicago Board of Trade where heavy volume in **soybeans, soybean oil** and **meal** pushed total trading to 2,806,132 contracts (1,085,984 in first-half 1960). Not all exchanges gained. Volume on N.Y. Commodity Exchange, N.Y. Mercantile Exchange and N.Y. Coffee & Sugar Exchange was down considerably.

Long Point Gas Revenue Rises

Long Point Gas & Oil Ltd. has drilled seven wells this season offshore in Lake Erie. Three have been successfully completed as commercial gas wells. The wells have a combined initial open-flow of four million cu. ft. daily, company states.

Preliminary unaudited figures for the first six months of 1961 show gross revenue of about $105,000. This is 300% increase over gross for the same period last year. Currently gas sales are three times greater than in July/60.

Other interests who have been drilling on Lake Erie have encountered a substantial natural gas flow offsetting company's producing acreage at Port Maitland to the south. This is the first confirmation of the gas-bearing section beyond limits of company's acreage.

JAMAICA PAINT FACTORY

Brandram - Henderson (West Indies Ltd.) a subsidiary of **Canadian Industries Ltd.,** Montreal, is opening a new paint plant at Kingston, Jamaica. Company will export 40% of its production to other parts of the Caribbean. Remainder will be used in the island's booming construction industry.

Canadian Auto Production

	Week Ending Aug. 12/61	Same Week 1960	Year To Date 1961	Year To Date 1960	% Change To Date
CARS					
General Motors:					
Buick	...	...	3,859	6,099	
*Chevrolet	...	...	52,028	58,518	
Oldsmobile	...	...	4,110	7,052	
Pontiac	...	...	44,818	54,301	
	...	...	104,815	125,970	—17
Ford:					
*Ford	...	...	36,112	40,489	
Mercury	...	...	2,864	3,139	
*Meteor	...	...	20,842	20,485	
Monarch	...	...	2,482	3,270	
	...	...	62,300	67,383	—8
Chrysler:					
Chrysler	...	1	5,479	3,352	
DeSoto	...	...	...	1,904	
Dodge	...	91	6,872	13,969	
*Plymouth	...	132	15,350	12,470	
	...	224	27,701	31,695	—13
Studebaker-Packard:					
Studebaker	...	...	3,293	3,666	—10
American Motors:					
Rambler	...	...	4,168	...	
Total cars	...	224	202,277	228,714	—12
TRUCKS					
General Motors	...	...	19,051	25,457	
Ford	...	...	11,060	13,948	
Chrysler	...	...	4,263	3,731	
International	1	...	7,502	7,586	
Total trucks	1	...	41,876	50,722	—17
Total cars, trucks	1	224	244,153	279,436	—13

*Chevrolet includes Corvair; Ford includes Falcon; Meteor includes Frontenac 1960 model year, Comet 1961 model year; Plymouth includes Valiant.

Source: Canadian Automobile Chamber of Commerce.

CPR Net Profit Declines 39% In First Half

Net profit of **Canadian Pacific Railway Co.,** Montreal, was down 39.2% in first six months of 1961 to $7,201,857 ($11,852,271 like period 1960).

Declines of $2,860,306 in railway net earnings (**FP**, Aug. 12) and $1,950,247 in other income were responsible for the drop. Fixed charges were down $160,139.

Railway revenue does not reflect payments to be received as a result of the recommendations of the MacPherson Royal Commission.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital filing statements are listed as reported by the Toronto and Montreal exchanges. Ontario Securities Commission.

ABLE LAND & MINERALS releasing all escrowed shares of **South American Mining** and **New Bristol Oils.**

BARNAT MINES bought additional 38,200 shares **Lake Shore Mines** for $117,554. Now holds 42,700 Lake Shore shares.

BELCHER MINING CORP. bought 53,334 shares **Great Whale Iron Mines** and 37,300 shares **Lake Shore Mines** for total of $135,844. Also sold 7,000 shares **Martin Bird Gold Mines** for $234.

CANDORE EXPLORATIONS bought 110,000 free and 150,000 escrowed shares of **Dolphin-Miller Mines** for $16,250. Brewis & White to buy 400,000 shares Dolphin-Miller for $40,000. Candore bought from Brewis & White interest in 320,000 Dolphin-Miller shares for $32,400.

CENTRAL PORCUPINE MINES bought 50,400 shares **Mercury - Chipman,** 800 shares **Nipissing Mines** and 500 shares **Sperry-Rand Corp.** for total of $40,820, and 6,000 shares **Northern Alluvials Development** for $1,200. Also sold 30,800 shares **Nipissing Mines,** 10,857 shares **Copper Rand Mines,** 39,550 shares **Mercury Chipman** and 2,000 shares **Provo Gas Producers** for total of $69,176.

CHIBOUGAMAU MINING & SMELTING option on 500,000 shares at $4 to **Campbell Chibougamau Mines** not exercised and agreement ended.

CONSOLIDATED QUEBEC GOLD MINING & METALS CORP. bought 588,000 shares **Revere Mining Corp.** for $38,125, bought 20,000 shares **Phantom Industries** at $5.75.

DAVIAN EXPLORATION releasing 143,410 shares from escrow.

EAST MALARTIC MINES bought 58,500 shares **Barnat Mines** for $91,636, now holds 1,968,097 shares.

GAITWIN EXPLORATIONS agreement with **Barnat Mines** for sale of mining claims for $37,500 and 375,000 shares of new company to be incorporated.

HASAGA GOLD MINES bought 12,800 shares **Lake Shore Mines** and 2,500 shares **Val D'Or Mineral Holdings** for $40,621.

KATERI MINING releasing 214,850 shares from escrow.

LAKE SHORE MINES bought 14,500 shares **Malartic Gold Fields** and 24,700 shares **Wright-Hargreaves Mines** for total of $38,544; also sold 242,408 shares **Alminex Ltd.** for $473,299.

LANGIS SILVER & COBALT MINING bought $25,000 **Ramardo Mines** 5% debentures for $12,500; 110,000 free shares and 150,000 escrowed shares **Dolphin-Miller Mines** for $16,250; 251,500 free shares and 141,250 pooled shares Dolphin-Miller for $39,377; 4,000 shares **Dickenson Mines** for $12,680.

LITTLE LONG LAC GOLD MINES bought 117,397 shares **Powell Rouyn Gold Mines** for $46,649.

LYNDHURST MINING releasing 789,000 shares from escrow.

MacLEOD-COCKSHUTT GOLD MINES bought 4,300 shares **Consolidated Mosher Mines,** 110,000 shares **Hard Rock Gold Mines** and 37,200 shares **Lake Shore Mines** for total of $136,816; also sold 5,000 shares **Kenlew Mines** for $474.

MALARTIC GOLD FIELDS bought 53,333 shares **Great Whale Iron Mines** and 37,800 shares **MacLeod-Cockshutt Gold Mines** for total of $60,353.

PARAMAQUE MINES option installment, 200,000 shares at 15c share, and subsequent installments extended three months.

SUDBURY CONTACT MINES bought 514,000 shares **Deer Horn Mines** and 5,000 shares **Consolidated Mogul Mines** for total of $133,872; also sold 350,000 shares **Consolidated Halliwell Mines,** 13,500 shares Deer Horn Mines and 4,000 shares **National Explorations** for total of $135,076.

WESTERN SURF INLET MINES option installment of 150,000 shares at 25c share and subsequent installments extended three months.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills — Due Nov. 3, 1961, and Feb. 2, 1961, $99.375 to yield 2.52% and $98.633 to yield $120,000,000. Issued July 4, 1961. Sold at 2.78%.

MUNICIPAL

Township of Brantford, Ont. — 5¾% debentures, due Aug. 1, 1962-81, $83,000. Issued June 26, 1961. Bought privately by Nesbitt, Thomson & Co. Ltd.

Township of Ancaster Roman Catholic Separate School No. 1, Ont. — 6% debentures, due Aug. 15, 1962-81, $140,000. Issued July 15, 1961. Sold at $98.03 to W. C. Pitfield & Co. Ltd.

School Commission for Mun. of Pierrefonds, Que. — 5¼% and 5¾% debentures, due Aug. 1, 1962-71, $351,500. Issued July 24, 1961. Sold at $98.34 to Banque Canadienne Nationale, Belanger, Inc. and Credit Quebec, Inc.

School Commission for Mun. of Pont-Viau, Que. — 5% and 5½% debentures, due Aug. 1, 1962-81, $75,000. Issued July 24, 1961. Sold at $96.96 to J. E. Des-Rosiers, Inc.

School Commission for Mun. of St. Michel-de-Squatteck, Que. — 5% and 5½% debentures, due July 2, 1962-71, $98,500. Issued July 24, 1961. Sold at $98.32 to Credit Quebec, Inc.

Township of Clinton, Ont. — 5¾% debentures, due Sept. 15, 1962-81, $25,000. Issued Aug. 4, 1961. Sold at $98.60 to J. L. Graham & Co. Ltd.

Village of Markdale, Ont. — 5½% and 5¾% debentures, due Sept. 15, 1962-76, $100,000. Issued Aug. 4, 1961. Sold at $99.87 to A. E. Ames & Co. Ltd.

CORPORATE

Inter-Provincial Commercial Discount Corporation Ltd. — 6¾% sinking fund secured collateral trust notes (carrying share purchase warrants), to mature Aug. 1, 1976, $1,000,000. Dated Aug. 3, 1961. Offered at $100.00 and accrued interest by J. H. Crang & Co.

Lamontagne Ltd. — 6½% first mortgage sinking fund bonds, series "A" (carrying stock purchase warrants) and 7% first mortgage serial bonds "A", to mature Aug. 1, 1971 and Aug. 1, 1962-1966, $640,000. Dated Aug. 1, 1961. Offered at $100.00 and accrued interest by Morgan, Ostiguy & Hudon Ltd.

International Bronze Powders Ltd. — 6½% secured sinking fund debentures, series "A", to mature July 1, 1981, $2,000,000. Dated July 1, 1961. Placed privately by Nesbitt, Thomson & Co., Ltd.

COMMON

M.E.P.C. Canadian Properties Ltd. — 600,000 shares (without par value). Offered at $2.55 per share by Nesbitt, Thomson and Co., Ltd.

Sayvette Ltd. — 600,000 shares (without nominal or par value). Offered at $7.50 per share by Bache & Co., Deacon Findley Coyne Ltd. and Ross, Knowles & Co. Ltd.

ANNOUNCEMENT

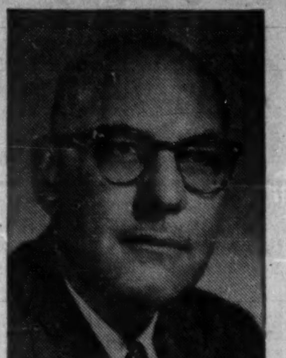
JOHN M. SMITH

Waisman Ross & Associates, Architects and Engineers, Winnipeg, Regina and Calgary, announce the formation of a Town Planning and Civic Design Department under the direction of Mr. John M. Smith, B.Arch., A.R.I.B.A., Dipl. Town Planning, M.R.A.I.C., A.T.P.I.C.

Mr. Smith was formerly with the Urban Renewal Board of the City of Winnipeg and the London County Council Planning Division, England.

ANNOUNCEMENT

CANADA STEAMSHIP LINES APPOINTMENT



J. W. McGIFFIN

T. R. McLagan, O.B.E., President of Canada Steamship Lines, announces the appointment of J. W. McGiffin as Vice-President — Special Duties. He will also act as Executive Assistant to the President of C.S.L. Mr. McGiffin will retain his position as Vice-President of Kingsway Transports Limited.

BRUSSELS FAIR

Next year's Brussels International Fair will open Saturday, April 28/62, instead of Monday, April 30. Change is to obviate necessity of exhibitors finishing stands on Saturday and Sunday at extra labor costs.

A few choice positions still available at the PLASTICS SHOW OF CANADA

OCTOBER 17-18-19, 1961
Automotive Building, Exhibition Park, Toronto

Don't miss this unusual opportunity to increase sales now — and in the future

Exhibitors at the Plastics Show of Canada will meet in one place and at one time thousands of new sales prospects — the largest gathering of plastics people ever assembled under one roof in Canada. The Show provides a dynamic marketplace where products can be demonstrated directly to the key purchasing influences in Canada's fast-growing plastics market. Exhibitors will be able to drive home their sales message with an effectiveness that only person-to-person contact and action demonstration can achieve.

Over 115 manufacturers have already reserved space — but there are still some choice positions available. Reserve your space now by writing to William Pryde, Show manager.

The Plastics Show of Canada
481 University Ave., Toronto 2

ANNOUNCEMENT

Dominion Tar & Chemical Company, Limited Treasury Staff Appointments

S. A. KERR — A. G. LASCHINGER — E. G. AUST — P. R. MARCHANT — L. ALDERLEY

J. G. Wyllie, C.A., Vice-President and Treasurer of Dominion Tar & Chemical Company, Limited, announces that as a result of the recent merging of the interests of Dominion Tar, Howard Smith Paper Mills, Limited, St. Lawrence Corporation Limited and Hinde and Dauch Limited, the treasury and accounting functions of the parent Company have been rearranged and the following appointments are now in effect: S. A Kerr, C.A., F.C.I.S., Secretary and Assistant Treasurer; A. G. Laschinger, C.A., formerly with Howard Smith, Internal Auditor; E. G. Aust, C.A., Assistant Treasurer; P. R. Marchant, C.A., Manager of the Tax Department; and L. Alderley, Manager of the Insurance Department.

Money Market

(Supplied by Investment Dealers' Association of Canada)

August 15, 1961

Government of Canada Treasury Bills: Aver. tender, issue of Aug. 11, 1961

	%
91 days	2.54
182 days	2.80

Financial Company Paper:

	%
30- 89 days	2.75
90-179 days	3.00
180-269 days	3.25
270-365 days	3.50

Commercial Paper:

Demand	2.875
30 days	3.125
60 days	3.25
90 days	3.50

Short-Term Bonds:	Price	Yield %
Canada 3% Dec. 1/61	100.20	2.22
Canada 3% May 1/62	100.05	2.93
C.N.R. 2¾% Feb. 1/63	99.00	3.46
Canada 4% May 1/64	100.20	3.92

Gold Bars Quoted

Rate Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 32 oz. each

Aug. 15, 1961

	Bid	Asked
	— per oz. —	
Latest week	$36.15	$36.40
Previous week	$36.15	$36.40

DIVIDEND NOTICES

ROBINSON, LITTLE & COMPANY, LIMITED

WINNIPEG - MANITOBA

CLASS "A" DIVIDEND — No. 59

NOTICE is hereby given that a dividend of Twenty-five (25) cents a share has been declared on the Class "A" stock of the Company payable on the First September, 1961 to shareholders of record at the close of business on the 18th August, 1961.

By Order of the Board,
JACK L. MacDONALD,
Secretary-Treasurer.

Winnipeg, Manitoba
9th August, 1961.

HOLLINGER CONSOLIDATED GOLD MINES, LIMITED

DIVIDEND NUMBER 448

A regular dividend of 15c per share has been declared by the Directors on the Capital Stock of the Company, payable on the 29th day of September, 1961, to shareholders of record at the close of business on the 1st day of September, 1961.

DATED this 10th day of August, 1961.

P. C. FINLAY,
Vice-President and Treasurer.

BURRARD DRY DOCK COMPANY LIMITED

Notice is hereby given that the above Company has declared a dividend of twelve cents per share on its outstanding Class "A" shares payable September 15th, 1961, to shareholders of record at close of business August 25, 1961.

By Order of the Board.
N. E. BROWN, F.C.I.S.
Secretary-Treasurer

Vancouver, B.C.
August 1, 1961

Giant Yellowknife MINES LIMITED

DIVIDEND NO. 21

NOTICE IS HEREBY GIVEN that a dividend of Ten Cents (10c) per share has been declared, payable in Canadian Funds on September 28, 1961, to shareholders of record at the close of business on August 30, 1961.

By Order of the Board,
A. C. CALLOW,
Secretary.

Toronto, Canada
August 8, 1961.

NOTICE OF DIVIDENDS

CATELLI FOOD PRODUCTS LTD.

NOTICE IS HEREBY GIVEN:

THAT the following dividends will be paid on August 31st, 1961, to shareholders on record as at August 17th, 1961.

a) Thirteen cents (.13c), regular quarterly dividend, plus twenty-five cents (.25c) additional dividend, on each class "A" share.

b) Twenty-five cents (.25c), regular quarterly dividend, plus twenty-five cents (.25c), additional dividend on each Class "B" share.

J. P. TALBOT,
Secretary-Treasurer.

DIVIDEND NOTICE

CANADA MALTING CO. LIMITED

NOTICE is hereby given that a dividend of Fifty Cents (50¢) per share on the common shares of the Company, for the quarter year ending September 15, 1961, be paid on September 15, 1961, to holders of common shares of record at the close of business on August 15, 1961.

Holders of share warrants will present Coupon Serial No. 135, covering the above dividend, to The Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG and CALGARY on and after September 15, 1961.

By order of the Board.
GEORGE J. WILLIAMS,
Secretary.

Dated at Toronto,
August 3, 1961.

THE BOWATER CORPORATION OF NORTH AMERICA LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN of the declaration of the following dividends payable October 1st, 1961 to shareholders of record September 8th, 1961.

(1) Dividend No. 22—Sixty-two and one half cents (62½¢) per share on the 5% Cumulative Redeemable Preferred Shares of the Corporation.

(2) Dividend No. 19—Sixty-eight and three quarter cents (68¾¢) per share on the 5½% Cumulative Redeemable Preferred Shares of the Corporation.

By Order of the Board
P. D. BURSEY
Secretary.

Montreal, Quebec.
August 1, 1961.

Market Bid and Ask Quotations

Aug. 15, 1961

Montreal & Toronto

[illegible]

Stock	Bid	Ask	Stock	Bid	Ask
Do B r	15	..	xDo B	23	40
xDo w56	260	295	xYoung	37	38
xDo w57	13½	15	xYukno	4	4½
xTr Can	43	47	Zell 4½%	45½	48
T R C Pl	21¾	22	xZenith	230	240
Tr-Mt	13¼	13¼	xZenmc	18	18½
Tr PPL	16½	18	xZulapa	22	23
xTr Res	10	12	xQuoted in cents.		

Unlisted Industrials

(Compiled by McDonnell, Adams & Co. Ltd., Toronto)

August 11, 1961

CORPORATIONS	Bid	Asked
All-Canada Bowling	2.40	2.50
Alexander Bldg.	22.00	....
Anglo Cdn. Tel. A	45.50	46.50
Border Chemical	8.50	10.00
Brinton-Peterboro Carpet	42.00	..
British Newfoundland	1.85	2.15
Calgary Power 4% pfd.	80.00	..
Cdn. Admiral Corp.	7.00	....
Cdn. Canners B	11.75	12.50
Cdn Corp. Management	8.50	9.00
Cdn. Foreign Secs.	8.50	....
Capital Wire Cloth	22.00	....
Clairtone Sound Equipt.	10.00	10.50
Cawthra Apts.	80.00	....
Commercial Finance	88.00	....
Concourse Building	98.00	....
Copp Clark 6% pfd.	82.00	....
Debentures & Secs. Pf.	80.00	....
Dom. Linseed Oils units	3.25	....
Essex Packers pfd.	35.00	....
Do common	3.00	..
Gillette Pool Products	3.60	3.85
Goderich Elevator	16.75	....
Granite Club	14.00	14.50
Gt. Britain Can. Inv. 5% pf.	83.00	....
Do com.	25.00	....
Hart Battery (1957) units	3.25	....
Imp. Inv. 3 wts.	9.00	10.00
Ingersoll Machine 4% pfd.	65.00	..
Do. B	5.25	6.00
Interprov. Com. Disc.	4.50	5.00
Jenkins Bros.	59.00	....
Lambton Golf	275.00	305.00
Lord Simcoe Hotel A	.60	.75
McCarthy Milling A	5.25	....
Meadowvale Dev.	....	2.95
Mindustrial Corp	2.50	2.75
Morrow Screw & Nut	27.00	....
Mutual Finance Corp. pfd.	1.00	
N. Ont. Natl. Gas 6% pfd.	69.00	70.00
Northern Tel. A pfd.	20.25	21.00
Do. B pfd.	20.25	21.00
Do. C pfd.	20.25	21.00
Northway	2.30	2.40
N Scotia L. & P. 4% pfd.	80.00	...
Do. 4½% pfd	89.00	..
Pacific Gas Transmission	19.25	19.75
Park Lawn Cemetery	2.25	..
Pembroke Electric Light	110.00	....
Phillips Electrical	4.50	5.25
Pitt Products A	12.35	13.00
Prairie Royalty	1.50	
Rapid Grip & B. 6% pfd.	98.25	....
Robin, Jones & Whitman p.	16.00	....
S.K.D. Mg. 6% pfd.	....	10.00
Scott Misener S.S.	17.25	17.75
Sharpe Instruments	1.65	1.75
Standard Fuel 4½% pfd.	37.00	....
Steadman Industries	7.25	7.75
Steelman Gas	1.75	2.25
Teleflex Limited	12.50	13.50
Thompson Paper pfd.	46.00	48.00
Toronto Brick	10.00	
Toronto Medical Arts. Bldg.	59.00	61.00
Toronto & London Inv's	2.25	2.65
Triarch Corp.	112.00	115.00
Universal Cooler A pfd	....	49.00
Do. B pfd.	....	2.00
Do. com	....	1.00
Van Der Hout Assoc.	2.40	2.60
Vendomatic	10.60	10.85
Waterloo Mfg.	5.00	6.00

INSURANCE COMPANIES	Bid	Asked
Cdn. Gen. Ins.	500.00	....
Commercial Life 30% pd.	43.25	....
Crown Life Insce.	215.00	230.00
Dom. Can. Gen. Insce.	98.00	....
Dom. Life Assce.	215.00	....
Excelsior Life	325.00	....
Great-West Life Assce.	627.00	....
Guar. Co. of N.A. fully pd.	120.00	....
London Life	305.00	320.00
Manufacturers Life*	263.00	....
Do.†	258.00	....
Do.‡	257.00	....
Do.§	255.00	....
Do.•	254.00	....
Maritime Life	150.00	....
Monarch Life	65.00	....
National Life	80.00	....
Sovereign Life Assce. 25% paid	240.00	....
Western Life Assce. 25% pd.	101.00	....

TRUST & LOAN COMPANIES	Bid	Asked
British Mortgage & Trust	330.00	....
Central Trust	13.00	....
Eastern Trust	41.00	42.50
Halton & Peel Trust	24.00	25.00
Ind. Mtge. & Trust	133.00	....
Nova Scotia Trust	27.00	....
Prudential Trust	37.00	....
Waterloo Trust	55.00	....

*Original pledged ‡Third pledged
†Second pledged §Fourth pledged
•Unpledged.

By Kippen & Co., Inc., Montreal	Bid	Asked
Anglo Canadian Tel.	44.00	46.00
British Newfoundland	1.75	2.25
Brinton Peterboro Carpet	40.00	....
C.P.R. pref.	1.60	1.70
Consol. Oka Sand	3.00	....
Dupuis Freres pfd.	16.50	....
Dom. Linseed units	3.00	....
East. Can. Svgs. & Loan	33.00	....
Gt. Brit. & Can., com.	24.00	....
Do. pfd.	80.00	....
Guar. Co. of N. Amer.	120.00	140.00
Imp. Chemical Industries	10.00	10.50
Jenkins Bros.	60.00	64.00
La Prevoyance	170.00	....
Mtl. City & Dist. Svgs. Bk.	91.00	93.00
Mount Royal Dairies pfd.	10.00	....
N. B. Telephone	13.25	13.75
Northern Telephone pfd.	19.50	....
Pacific Gas Transmission	19.00	19.50
Phillips Electrical	4.00	5.00
Robin Jones & Whitman, c.	10.00	....
Do. pfd.	16.00	....
Stanfield A	10.00	....
Do. B	10.00	....
Tritec Corporation	1.30	1.50
Trust Gen. du Canada pfd.	32.00	33.50

Grain Prices

Winnipeg Futures

Week to Aug. 14, 1961

Crop year from Aug. 1, 1961 High	Low		High for week	Low for week	Close Aug. 14
		Oats—			
1.02	.93	Oct.	1.02	.96½	1.01⅞
.96⅞	.89	Dec.	.96⅞	.92	.96⅞
.97½	.91½	May	.97½	.93⅞	.97½
		Barley—			
1.30½	1.20⅞	Oct.	1.30½	1.26	1.30
1.25⅜	1.15⅞	Dec.	1.25⅜	1.20⅞	1.25⅞
1.28¼	1.19½	May	1.28¼	1.24½	1.28¼
		Rye—			
1.28⅜	1.23⅞	Oct.	1.28⅜	1.25½	1.28½
1.30½	1.25	Dec.	1.30½	1.27½	1.30½
1.34⅞	1.29½	May	1.34⅞	1.32	1.34⅞
		Flax—			
3.87	3.69	Oct.	3.87	3.72	3.84⅞
3.80	3.62½	Dec.	3.80	3.65⅞	3.78½
3.83⅞	3.67½	May	3.83⅞	3.70	3.82

Winnipeg Cash

	High For Week Aug. 14	Low For Week Aug. 14	High Prev. Week	Low Prev. Week
Oats—				
2 C. W.	1.01½	.96⅞	.95½	.93⅞
3 C. W.	.99	.93⅞	.92⅞	.90⅞
Barley—				
1 Feed	1.26	1.21½	1.20⅞	1.18½
2 Feed	1.22½	1.18⅞	1.17⅞	1.15½
1 Malt	1.38	1.34½	1.33⅞	1.29½
Rye—				
1 C. W.	1.26½	1.24½	1.24½	1.22
2 C. W.	1.26½	1.24½	1.24½	1.22

Chicago Futures

Week to Aug. 14, 1961

Crop year from Aug. 1, 1961 High	Low		High for week	Low for week	Close Aug. 14
		Wheat—			
2.00⅞	1.96⅞	Sept.	2.00⅞	1.97½	2.00½
2.07½	2.03½	Dec.	2.07½	2.04⅞	1.07½
2.12½	2.09½	Mar.	2.12½	2.09⅞	2.12½
2.14	2.10½	May	2.14	2.11½	2.13⅞
2.14	2.09½	July	2.14	2.10½	2.14
		Corn—			
1.13½	1.10⅞	Sept.	1.12½	1.10⅞	1.12⅞
1.17⅞	1.14⅞	Dec.	1.16½	1.14⅞	1.16½
1.21⅞	1.18½	Mar.	1.20⅞	1.18½	1.20⅞
1.26½	1.21½	May	1.23⅞	1.21½	1.23⅞
1.28⅞	1.24½	July	1.26⅞	1.24½	1.26⅞
		Oats—			
.69½	.67⅞	Sept.	.69½	.67⅞	.69½
.74½	.72½	Dec.	.74⅞	.72½	.74½
.78½	.75½	Mar.	.78½	.75½	.78½
.78½	.75½	May	.78½	.75½	.78½
.74	.73½	July	.74	.73½	.74
		Rye—			
1.33	1.27½	Sept.	1.32½	1.27½	1.31
1.38	1.32½	Dec.	1.37½	1.32½	1.35⅞
1.42½	1.36⅞	Mar.	1.41½	1.36⅞	1.39⅞
1.37½	1.37½	May	1.42½	1.37½	1.40
1.37	1.32⅞	July	1.36⅞	1.32⅞	1.35⅞
		Soybean—			
		Sept.	2.50½	2.44	2.47
		Nov.	2.45½	2.41½	2.43⅞
		Jan.	2.49½	2.45⅞	2.47⅞
		Mar.	2.53½	2.49⅞	2.51½
		May	2.55⅞	2.52⅞	2.54
		July	2.58½	2.55½	2.56½

Chicago Cash

	High For Week Aug. 14	Low For Week Aug. 14	High Prev. Week	Low Prev. Week
Corn—				
2 Yell.	1.14½	1.12	1.15	1.15
Oats—				
1 H. W.	.68½	.68½	..	..

Government Bonds

Aug. 15, 1961 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3	Perpetual	69	70
2¾	June 1967/68.	89½	90½
3¾	Jan. 1975/78.	85½	86½
3¾	Mar. 1996/98.	79	80
3½	May 1970	90½	91½
3½	Oct. 1979	79½	80½
3	Dec. 1961	100.	100¼
3¾	Sept. 1965	97	98
4½	Sept. 1972	94	95
4½	Sept. 1983	92½	93½
4	Jan. 1963	100¼	100½
5½	Oct. 1962	103½	103½
3½	June 1974/76.	81½	82½
5½	Apr. 1963	103½	103¾
5½	Oct. 1975	102⅞	103⅞
3	June 1962	99⅞	100
4½	Dec. 1962	100½	100⅞
4	Dec. 1963	100	100½
5½	Apr. 1969	103⅞	104⅞
3	May 1962	99⅞	100
3½	Dec. 1962	99⅞	100
4	May 1964	99⅞	100½
Cdn. Nat. Railways:			
3	Jan. 1961/66.	93½	94½
2¾	Feb. 1961/63.	98⅞	99
2¾	Jan. 1964/67.	91½	92½
3¾	Feb. 1972/74.	87⅞	88⅞
4	Feb. 1981	85½	86½
5½	Dec. 1964	104	105
5¾	Jan. 1985	106	107
4½	Apr. 1967	98½	99½
5	Oct. 1987	96½	97½
Int. Bank of Reconstruct. & Development			
3½	Apr. 1965	93⅞	95⅞
3½	June 1969	88½	90½
C'wealth of Australia:			
4	Nov. 1970	87½	89½
5½	Apr. 1981	98½	99½
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
5½	Aug. 1979/81.	97½	98½
British Columbia:			
3	June 1964	94	95
Pac. Gt. East. Rly. Gtd.:			
4⅞	Dec. 1987	88½	90½
Ontario Hydro:			
4½	Nov. 1964/67.	96½	97½
5	Apr. 1974/77.	98	99
5½	July 1976	100⅞	101⅞
3	Apr. 1968/70.	87	88
5½	Feb. 1979/81.	101	102
Quebec:			
4⅞	Jan. 1974/77.	93½	95½
5½	Aug. 1981/85.	97½	98½
New Brunswick:			
4½	Oct. 1968/71.	92	94
5½	May 1979/81.	101	102
Ontario:			
4½	Dec. 1962/63.	99	100
3	Nov. 1963/65.	94	95
5	Jan. 1977/79.	98	99
6	Nov. 1977/79.	105½	106½
4	Dec. 1961	100	100½
5½	Apr. 1968	100½	101½
5½	Apr. 1979/81.	101½	102½
Man. Hydro:			
5½	Sept. 1979/81.	97½	98⅞
Manitoba:			
5½	June 1976/79.	99	100
Nova Scotia:			
5½	July 1978/80.	99½	100½
4⅞	Dec. 1975/77.	92½	94½
Quebec Hydro Commission:			
5½	June 1979/82.	100	101
Saskatchewan:			
4½	Nov. 1974/76.	89½	91½
5½	July 1978/80.	99	100
Newfoundland:			
4½	July 1962/64.	97½	98½
5½	Feb. 1977/79.	93	95

Price Earnings Ratio

RATIO OF MARKET VALUE TO EARNINGS OF THE 20 STOCKS COMPRISING THE TORONTO STOCK EXCHANGE INDUSTRIAL INDEX

EARNINGS PER SHARE	PRICE Aug. 11	RATIO Aug. 11	WEEK PREVIOUS	MONTH AGO	YEAR AGO
$47.32	$893.50	18.88	18.92	18.26	14.02

Average Yields

(COMPILED BY MOSS, LAWSON & CO.)

	AUG. 14 %	WEEK AGO %	MONTH PREVIOUS %	YEAR AGO %
114 Average Stock Yields	4.11	4.10	4.18	4.75
6 Banks	3.00	3.01	3.15	3.76
18 Preferred and "A" Stocks	4.94	4.92	4.97	5.14
64 Common Industrials	3.65	3.63	3.68	4.36
26 Mining	4.93	4.95	5.11	5.67

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	N.Y.S.E.	American
Aug. 14	353,200	1,459,000	17,860	275,744	3,120,000	1,370,000
Aug. 11	289,400	1,775,000	27,700	237,087	3,260,000	1,300,000
Aug. 10	337,800	1,567,000	15,001	240,725	3,570,000	1,150,000
Aug. 9	395,200	1,592,000	29,908	277,665	3,710,000	1,120,000
Aug. 8	378,000	1,508,000	19,403	217,500	4,050,000	1,230,000

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
Aug. 11	325	339	193	117	116	171
Aug. 4	397	275	196	189	70	142
July 28	385	274	207	134	81	161
July 21	247	406	194	97	168	126
July 14	267	403	193	82	161	154
July 7	336	317	199	158	100	172

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Total Industrials	Banks	Total Utilities	Total co's
No. of Securities	10	10	3	4	7	13	8	14	71	6	14	91
1935 to date:												
High	947.5	1394.4	254.5	285.5	410.5	336.9	919.1	590.5	345.3	405.7	278.9	328.5
Low	68.5	51.6	59.7	40.9	77.7	72.4	79.3	68.7	56.1	66.4	64.5	60.6
1961 Monthly Figures:												
June	781.6	1294.0	247.8	229.4	213.5	321.4	872.1	499.4	330.9	385.5	223.2	316.4
May	809.3	1282.5	241.0	231.7	210.4	322.6	855.6	490.9	333.4	383.4	220.7	317.6
Apr.	801.0	1263.2	226.0	227.8	202.2	303.0	806.8	491.3	319.6	377.6	208.8	304.8
Mar.	758.9	1277.7	227.4	217.3	195.9	287.7	793.0	486.8	307.4	371.8	206.2	294.6
Feb.	741.4	1223.8	219.2	208.9	193.0	280.1	758.3	470.3	295.7	364.8	205.9	285.3
Jan.	727.7	1190.1	211.7	200.4	189.5	272.3	720.1	456.4	286.0	358.7	200.7	276.6
1961 Weekly Figures:												
Aug. 10	748.6	1394.4	253.8	233.6	234.3	336.9	919.1	511.2	345.3	405.7	222.5	328.5
Aug. 3	742.6	1354.6	253.8	231.2	233.5	334.2	912.9	511.0	343.5	407.5	221.1	327.1
July 27	733.6	1332.0	250.7	224.2	224.7	316.6	877.1	501.5	334.8	395.9	219.4	319.4
July 20	727.5	1334.6	248.4	218.8	220.6	318.6	875.5	490.5	331.4	386.6	217.7	315.8
July 13	746.5	1343.5	249.4	222.1	221.7	322.3	878.2	502.5	333.6	391.3	220.3	318.3
July 6	791.7	1337.6	248.4	227.0	224.2	325.5	885.5	508.4	340.4	392.0	221.5	323.6

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
Aug. 14	718.93	139.35	118.93	237.04
Aug. 11	722.61	139.81	119.40	238.04
Aug. 10	720.49	139.58	119.91	237.92
Aug. 9	717.57	138.63	120.05	237.46
Aug. 8	720.22	138.98	119.29	237.69
Month Ago	684.59	135.65	113.81	226.96
Year Ago	624.17	138.44	94.38	207.03
1961 High	722.61	150.81	120.05	238.04
1961 Low	610.25	131.06	99.75	204.77

TORONTO STOCK EXCHANGE INDEX

	20 Indust.	20 Golds	15 B.M.	15 W.O.
Aug. 14	598.86	87.17	206.52	95.00
Aug. 11	601.13	88.63	207.32	95.87
Aug. 10	600.13	89.76	206.39	95.58
Aug. 9	601.00	89.70	204.58	96.12
Aug. 8	601.75	87.73	206.06	97.14
Month Ago	586.56	84.04	198.37	92.41
Year Ago	490.94	81.28	156.24	85.92
1961 High	602.69	97.35	207.32	103.41
1961 Low	523.69	86.09	161.42	80.82

MONTREAL STOCK EXCHANGE INDEX

	10 Util.	20 Indust.	30 Com.	10 Pprs.	15 Golds
Aug. 14	143.6	324.6	264.3	508.0	84.28
Aug. 11	143.8	325.7	263.1	510.7	84.50
Aug. 10	144.2	323.8	263.9	506.3	84.07
Aug. 9	144.1	323.6	263.6	505.0	84.31
Aug. 8	144.2	324.5	264.4	503.9	85.17
Mo. Ago	146.8	318.9	261.5	484.7	78.12
Year Ago	147.2	261.3	219.9	415.1	69.79
1961 High	145.3	327.8	267.6	511.5	85.38
1961 Low	143.1	276.1	232.1	444.78	70.30

Profits Here

A regular listing of latest studies by investment firms

TEXACO CANADA LTD.—Wood, Gundy & Co., 36 King St. W., Toronto.

CANADA PACKERS LTD.—Watt & Watt, 6-8 Jordan St., Toronto.

WOODWARD STORES (1947), LTD. — Wood, Gundy & Co.

PAGE-HERSEY TUBES LTD.—John M. Easson & Co., 217 Bay St., Toronto.

TRADERS FINANCE CORP. — Wood, Gundy & Co.

INDUSTRIAL ACCEPTANCE CORP. — Wood, Gundy & Co.

DU PONT OF CANADA LTD. — Wood, Gundy & Co.

Dividend Changes

ATLANTIC ACCEPTANCE — Common, 12½c payable Sept. 18, to holders of record Sept. 8; ex-dividend Sept. 6. Total paid or payable to date in 1961, 32½c; total paid in 1960, 10c, which was the initial payment. Recent price: $23½.

CANADA CARBON & RIBBON — Common, 15c payable Sept. 1, to holders of record Aug. 15. This is the first dividend declared following a 3-for-1 stock split in May, 1961.

DOMINION STORES—Common, 8c payable Sept. 15, to holders of record Aug. 16; ex-dividend Aug. 14. This is the first dividend declared following a 5-for-1 stock split in July, 1961. Recent price: $15¾.

Toronto Curb

Stock	Bid	Ask	Stock	Bid	Ask
Andian	7¾	..	Do p	77½	80
A C	39	40	Gaspe	28	28
Ang-N	9½	9½	Hayes	23	24½
Asbest	32⅞	32⅞	I Pap	36	37
B A B	55	..	Lob I	16	16½
xBulolo	610	620	M Lrn A	22	22½
CD Sug	21	21½	Do B	24	..
C Ving	42½	43	MO Pap	34½	35
C Brnze	19½	20	Ogilv	55	56
Do p	91½	..	Do p	140	145
CG Inv	40½	40⅞	xPend O	225	245
C Ing	35	35⅞	Price	50	50½
C Pap	46½	46½	Sngmo	9½	9¾
xDalh	15	16	xSW P	150	165
de Hav	200	250	Th CG I	7½	7⅞
D Glass	72	74	xYuk C	46½	47
Do p	15	16	Zellrs	39⅞	40
DOC	23½	23⅞	(xToronto Gold)	36.15	36.40
Du Pont	25⅞	26½			

x—Quoted in cents.

Canadian Stock Exchange

INDUSTRIALS

Stock	Bid	Ask
Ang-Sc n	9½	..
Atl Tlflm	97	98
Beld Cort	..	10½
Do p	10½	12
Belg St	7½	..
Do p	15	..
BB Rceway	9½	9½
Bfly Hos	200	250
C Floor B	8¾	11
C Arena	175	..
C Int Inv	21	25½
Do p	80½	..
Cdn P&P	6¼	7¼
Catelli A	..	38
Can Kodiak Ref	150	155
C Div A	125	150
Do p	31	38
C Txtils p	11¼	19
Crain RL	16	17
Dalfen's	40	45
Denault A	14	14½
Do w	625	800
Dav & F A	40	48
E Koot p	125	..
Feralco I	25	75
Freiman c	40½	..
Horner A	33	..
Hub Flt	14	..
Do A	21	24
I Paints A	5	7
Do p	17	23¾
Inv Found	40	47
Do p	52½	..
Lambrt A	13	20
Lab Acc	..	8¾
Latonia I	32¾	34
Lochab O	150	..
Melch Dis	6¼	8¼
Do p	12¾	15¼
Mtl Ref A	19¼	..
Do B	9	..
Mtl R Dair	7¼	7¾
Mtl R Rice	8	8¼
Mussens	10¼	11
Nfld L&P	64	64½
N W Ind	225	325
Pac Atl	280	300
Paton Mfg	8	10
Do p 7%	20	22½
Paul SS	8	10
Pr Crp 1st	45	..
Do 2nd	65	..
Prem Stl	9	9¼
Q Tel 5% p '50 ser	19¾	20
Do '51 s	19¾	..
Do '55 c	19	20¼
Do '56 s	19	20
R&M Bear	15	..
Renold A	16	..
Ruby Foo	225	230
Sangamo	9¼	10
Shop & S	7¾	8¼
Sobeys A	16	16½
Soca	115	135
S Can p	125	130
Tooke Br	10	65
Do p	86½	..
Tr Can Cp	58½	59
Tr C Frz	275	300
Un Am A	13¼	..
Do B	12½	..
U Twns E	13¾	14
Un PP	110	115
Wndsr Htl	25	28
Wood Mfg	35½	40
MINES—Cents		
Alscope	28	34
Amernm	1½	2½
An AmM	315	320
Anthonian	3	4
Arno	3½	4
Atlas Sulp	3½	5
Aug Expl	33½	34
Baker Talc	9½	10
Band-Ore	3	6
BeaucePM	55	60
Barvallee	3	4½
Bateman	8	8½
Beatrice	2½	4
Bchasse	20	21
Beau BM	3½	..
Bornite	7	8
Burnt Hill	9	11
Calumt Ur	3	4
Canalask	2½	3½
Canuba	2	2½
Carbec M	10	13
Cartier Q	9½	10
Chem M	320	325
Chib CC	11	14
Chipman	3	4½
Cominga	4½	5
C Monpas	4½	6
C Que Yk	4	5½
Cop Strms	18	20
Dolsan	7	9½
Duvan	9	..
Fab Metals	8	10
Fano	1½	2
Fontana	2½	3
Ft Rel M	25	28
Fundy Bay	4	5
Gold A	38	39
Gui-Por Ur	5	7
Haitian	2½	3
HastingsM	94	99
In Ceramic	7	10
Kontiki Ld	4½	6½
Jubilee Ir	320	340
Lingside C	2	3½
Lithium	16	19
Massval	9½	11
Mid-Chib	16	18
Mogador	7	7½
Mt Pleast	45	50
Monpre	5	6
N Formaq	4½	5
N Jack Lk	3	4
N S'tiag	2	2½
NW Amlet	18½	20
Nocana	4	5
N Am Asb	8	10
Obalski	7	9
Opemisca	8½	10½
Partridge	3½	4½
Paudash	10	13
Pitt	2	2½
Por Prime	9	10
Que Cob	250	275
Que Smelt	11	13
Raglan N	36	37
Roberval	9	..
Saucon D	161	165
Red Crest	2	3½
St Law C	750	765
S Dufault	9	10
Stand G	27	..
Tache Lk	6	7
Tazin	6	6½
Tib Explor	4½	5½
Vanguard	6	6½
Vauze M	..	100
Virg M	5	8
Wendell	1½	2
Westville	2½	4
OILS—Cents		
Bluewater	14	15
Bonn'lle	14	15
Castle	3½	5
Gaspe	6	7
Gateway	1	2
Israel	12	16
Native M	9	..
Titan Pet	12½	13

Foreign Exchange Rates

Noon Value in Canada
Week Ended August 15, 1961

	U.S. $	U.K. £
Wed.	1.03 13/32	2.90 1/16
Thurs.	1.03 9/32	2.89 10/16
Fri.	1.03 6/32	2.89 4/16
Mon.	1.03 6/32	2.89 2/16
Tues.	1.03 5/32	2.89
Ave.	1.03 39/160	2.89 33/80

U.S. rate reported by Bank of Canada.

U.K. bid rate reported by Toronto-Dominion Bank.

Calgary Stock Exchange

Stock	Bid	Ask	Stock	Bid	Ask
INDUSTRIALS			Gold Sat	2	3
Alaska-Ykn P Lines	..	100	Gold Sp	5	5½
Alaska-Ykn Ref	20	25	Kenare	2	2½
Do p	175	250	Keno	39	41
Carling B	108	125	Leamac	1½	4
Edmonton Concr	310	350	Leduc Cal	4½	5
Indian Ch	..	10	Melton	16	19
Prop Cred	..	25	Merit	46	48
MINES			Merland	14	16
Andacollo	20	30	Mill Creek	8	9
Burrex	3	..	Mollusca	2½	..
Cont Pot	48	55	Native M	9	13
N Imperial	8	9	N Richfld	2½	2½
OILS			New York	5	..
Albedena	3¾	5	Norsul	57	60
Amalta	3	4	Nth Cont	½	1
Anaconda	35	40	Nuco	6	8
Bashaw-L	2½	3	Nu-Ridgwy	3¾	4
Blue Cr	22½	23	Ranchmn's	5	7
Cdn Ftune	2	2½	Royal Cdn Vent	9	..
Castle	15	15½	Sage	70	75
Claybar	14½	15	Sastex	1½	3¾
Command	55	60	Share	2½	3
Com O&G	83	90	Silver City	3	..
Dom Min	1	1½	Siscalta	50	..
Dynalta	15	20	South Exp	10	..
Edoran	2¾	4	Star Lnd	130	..
Futurity	..	20	Sturgeon	3½	4
Gateway	2	3	Tri-Zone	3½	4
Globe	7	9	Turner V	..	20
			W Warner	4	5½

Municipal Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

August 14, 1961

	%		Bid	Ask.	%
Halifax	4¼	'71	90½	92½	5.25
Hamilton	6	'79	104	106	5.47
Metro. Tor.	5⅛	'81	99¼	101½	5.37
Montreal	6	'79	100½	102½	5.77
Ottawa	5⅛	'79	100	102	5.33
Regina	5¾	'82	99	101	5.67
Vancouver	6	'80	101⅛	103⅛	5.69
Winnipeg	5½	'80	98	100	5.50

Coming Events

American Association of Travelling Passenger Agents convention, Sept. 5-8, Jasper Park Lodge, Jasper, Alta.

American Public Works Association, international convention, Sept. 24-27, Minneapolis.

Canadian Association of Real Estate Boards, conference, Sept. 4-7, Banff Spring Hotel, Banff, Alta.

Canada's Power Show, Dec. 7-9, Queen Elizabeth Building, Exhibition Park, Toronto.

Canadian Veterinary Medical Association meeting, Sept. 8-11, Banff, Alta.

ANNOUNCEMENT

E. H. HAUSMANN

The appointment of E. H. Hausmann to the advertising department of CTV Television Network Ltd., Toronto, has been announced by President Spence Caldwell.

Mr. Hausmann was for eight years the national photo editor of the CBC promotion and publicity department. He has also spent several years as writer and photographer with various daily and periodical publications, and is an Associate of the Royal Photographic Society of Great Britain.

FEDERAL GRAIN LIMITED
AND
THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
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Affiliated Companies—Fort William, Ont., Montreal, Que., Vancouver, B.C.

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FORT WILLIAM WINNIPEG MONTREAL
GRAIN DIVISION
Grain and Coal Merchants
Country and Terminal Elevators
STEAMSHIP DIVISION
Carriers of All Bulk Cargoes

McCabe Grain Company Limited
WINNIPEG, CANADA
LONDON, ENGLAND VANCOUVER

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

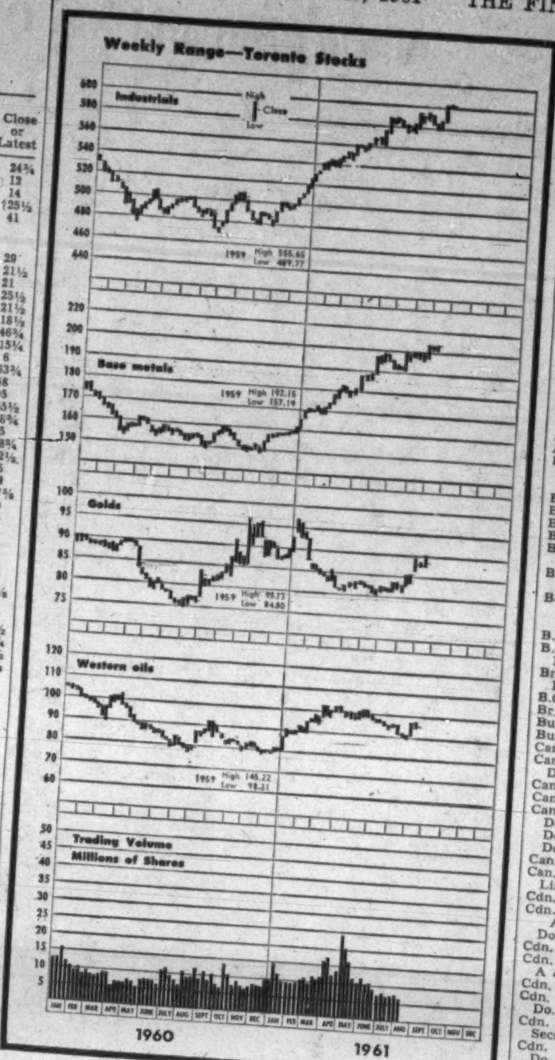
Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 35

Industrial Stocks

WEEK ENDING AUGUST 11, 1961

Range 1961 High	Low	Div. R'te $	Y'ld Aug11 %	Company	Sales	Last Aug. 4	Week end. Aug. 11 High	Low	Close or Latest
43⅜	36⅝	1.70	4.1	Abitibi	10093	41¾	43⅜	41⅝	41⅜
25½	23⅜	1.12½	4.7	Do. 4½% Pref.	200	23¾	23¾	23¾	23⅜
11⅝	8	.50	5.4	Acadia Atlan.	6335	9⅝	10	9	9¼
100	91¼	5.00	5.0	Do. 5% Pref.	nil	..	B100	A105	99¾
22¾	19½	1.20	5.5	Do. (A)	1395	22¼	22½	22	22
27½	19	.72	3.3	Agnew Surp.	800	..	B13⅛	A13¾	22

Range 1961 High	Low	Div. R'te $	Y'ld Aug11 %	Company	Sales	Last Aug. 4	Week end. Aug. 11 High	Low	Close or Latest
36½	31	‡1.00	..	Cdn. Wallpaper A	nil	..	B31	A38	†30
37½	30	‡1.00	..	Do. (B)	25	33	33	33	33
18¼	16	.70	4.2	Cdn. West Gas	325	17⅜	17¼	16¾	16¾
16½	15	.80	4.9	Do. 4% Pfd.	25	16¼	16¼	16¼	16¼
22	20¼	1.10	5.0	Do. 5½% Pfd.	nil	..	B22	A22⅜	22
39	32	1.55	..	Cdn. Westinghouse	25	33	33	33	33



Dividends Declared

Company	This payment	Date payable	*Date of record
Abitibi Power	.42½	Oct. 1	Sep. 1
Do. 4½% pf.	.28⅛	Oct. 1	Sep. 1
Acadia At. Sug. pf	1.25	Sep. 15	Aug. 21
Do. cl. A	.30	Oct. 2	Sep. 11
Do. com.	.12½	Oct. 2	Sep. 11
Acadia Trust	.50	Aug. 31	Aug. 31
Do	.50	Nov. 30	Nov. 30
Agnew-Surpass	.18	Sep. 1	Jul. 31
Alg. Cent. & Hud. Bay Rlwy.	.25	Sep. 1	Aug. 15
Do. 6% pf.	.75	Sep. 1	Aug. 15
Algoma Steel	.30	Sep. 30	Sep. 1
Aluminium Ltd.	†.15	Sep. 5	Aug. 7
Aluminum of Can. 4% pf.	.25	Sep. 1	Aug. 11
Do 4½% pf.	.56	Aug. 31	Aug. 11
Am. Motors Corp.	†.30	Sep. 20	Aug. 24
Anglo-Cdn. Tel. A	.30	Sep. 1	Aug. 10
Argus Corp.	.30	Sep. 1	Jul. 20
Atlantic Accept.	.12½	Sep. 18	Sep. 8
Do. 1st pf.	.55	Sep. 1	Aug. 15
Aunor Gold Mines	.05	Sep. 1	Aug. 11
Auto Elec. Serv.	.06¼	Sep. 15	Aug. 18
Bailey Selb. Oil 5% pf	.31¼	Sep. 1	Aug. 15
Do 5¾% pf	.36	Sep. 1	Aug. 15
Bank of Montreal	.45	Sep. 1	Jul. 31
Banque Cdn. Nat.	.45	Sep. 1	Jul. 31
Bque D'Economie	.30	Sep. 1	Aug. 15
Barber-Ellis	1.00	Sep. 15	Aug. 31
Bathurst Pwr. & Pap. A	.50	Sep. 1	Aug. 4
Bird Construction	.60	Sep. 30	Sep. 15
Do	.60	Dec. 30	Dec. 15
Bowater Corp. of N.A. 5% pf.	.62½	Oct. 1	Sep. 8
Do. 5½% pf.	.68¾	Oct. 1	Sep. 8
B.A. Oil	.25	Oct. 2	Sep. 1
B.C. Packers A	.37½	Sep. 15	Sep. 1
Do. B	.50	Sep. 15	Sep. 1
Bridge & Tank	.10	Sep. 1	Aug. 15
Do. pf.	.72½	Sep. 1	Aug. 15
B.C. Tel. 6¼% pf.	1.56¼	Sep. 15	Aug. 31
Br. Mtge. & Tr.	‡2.00	Oct. 5	Sep. 19
Burns & Co.	.12½	Oct. 27	Oct. 6
Burrard D. D. A	.12	Sep. 15	Aug. 25
Can. Carbon & Rib.	♦.15	Sep. 1	Aug. 15
Can. Cement	.25	Aug. 31	Jul. 28
Do. 6½% pf.	.32½	Sep. 20	Aug. 21
Can. & Dom. Sugar	.20	Sep. 1	Aug. 10
Can. Malting	.50	Sep. 15	Aug. 15
Can. Packers A	.87½	Oct. 2	Sep. 8
Do. B	.87½	Oct. 2	Sep. 8
Do. A	.87½	Apr. 2	Mar. 9
Do. B	.87½	Apr. 2	Mar. 9
Can. Safeway pf.	1.10	Oct. 20	Sep. 1
Can. Steamship Lines	.80	Oct. 14	Sep. 15
Cdn. Canners A	.18¾	Oct. 2	Sep. 1
Cdn. Fairbanks-M. A	.17½	Sep. 1	Aug. 11
Do. B	.15	Sep. 1	Aug. 11
Cdn. Gen. Elec.	2.00	Oct. 2	Sep. 15
Cdn. Gen. Secs. A & B	.25	Sep. 15	Aug. 31
Cdn. Ice Mach. A	.20	Oct. 2	Sep. 15
Cdn. Int. Inv. Tr.	.20	Sep. 1	Aug. 15
Do. 5% pf.	1.25	Sep. 1	Aug. 15
Cdn. Pwr. & Pap. Secs.	.20	Sep. 8	Aug. 24
Cdn. Tire	.17	Sep. 1	Aug. 18
Do. A	.17	Sep. 1	Aug. 18
Cdn. Wallpaper A & B	1.00	Sep. 12	Aug. 30
Cdn. West. Nat. Gas	.17½	Aug. 31	Aug. 15
Do. 4% pf.	.20	Sep. 1	Aug. 15
Do. 5½% pf.	.28	Sep. 1	Aug. 15
Catelli Food Prod. A	.13+‡.25	Aug. 31	Aug. 17
Champion Mut. Fd.	.04	Aug. 31	Aug. 15
Chartered Trust	.50	Oct. 2	Sep. 15
Chrysler Corp.	†.25	Sep. 13	Aug. 21
Commercial Accept.	.04	Sep. 30	Sep. 20
Do. 6½% pf.	.16¼	Sep. 1	Aug. 20
Comb. Enterprises	.15	Sep. 1	Aug. 3
Commonwealth Int. Lev. Fd.	.03	Sep. 15	Aug. 31
Confederation Life	.50	Sep. 15	Sep. 1
Do.	.50	Dec. 15	Dec. 1
Cons. Theat. A	.13	Sep. 1	Aug. 8
Do A	.12	Dec. 1	Nov. 8
Consumers Glass	.20	Aug. 31	Jul. 25
Cont. Can.	†.45	Sep. 15	Aug. 22
Do. $3.75 pf.	†.93¾	Oct. 1	Sep. 15
Copp Clark Pub.	.10	Sep. 1	Aug. 16
R. L. Crain	.10	Sep. 30	Sep. 8
Crown Trust	.25	Oct. 2	Sep. 20
Davies Irwin 6% p.	.15	Sep. 1	Aug. 15
Distillers Corp.-Seag.	.30	Sep. 15	Aug. 25
Dom. & Anglo Inv. pf.	1.25	Sep. 1	Aug. 15
Dom. Dairies 5% pf	.44	Oct. 14	Sep. 30
Dom. Scot. Inv. pf.	.62½	Aug. 31	Aug. 17
Dom. Stores	♦.08	Sep. 15	Aug. 16
Dom. Tar & Chem.	.20	Nov. 1	Oct. 2
Do. pf.	.25	Oct. 2	Sep. 1
Donohue Bros.	.22½	Sep. 1	Aug. 15
Dover Ind.	.15	Sep. 1	Aug. 10
Do. 6% pf.	.15	Oct. 1	Sep. 11
East Koot. Pwr. pf.	1.75	Sep. 15	Aug. 31
Easy Wash. Mach. 5% 1st pf.	.25	Sep. 15	Sep. 1
Economic Inv. Tr.	.30	Sep. 29	Sep. 15
Eddy Paper	.15	Sep. 15	Aug. 16
Do. A	.25	Sep. 15	Aug. 16
Electrolux	†.35	Sep. 15	Aug. 15
Ford Motor Can.	1.25	Sep. 15	Aug. 11
Ford Motor Co.	†.75	Sep. 5	Aug. 4
Chas. E. Frosst A	.15	Sep. 21	Aug. 31
Do.	.15	Dec. 21	Nov. 30
Do.	.15	Mar. 21	Feb. 28
Do. B	.15	Jun. 21	May 31
Geco Mines	.15	Sep. 21	Aug. 31
Gen. Motors Corp.	.25	Sep. 29	Sep. 1
Giant Yell.	†.50	Sep. 9	Aug. 14
Grafton & Co.	.10	Sep. 28	Aug. 30
Do	.25	Sep. 15	Aug. 25
Gt. Lakes Pap.	.25	Dec. 15	Nov. 25
Gt. Lakes Pwr.	.15	Oct. 2	Sep. 15
Gt. Nor. Gas Util.	.25	Sep. 30	Sep. 1
$2.50 pf.	.62½	Sep. 1	Aug. 24
Do. $2.80 pf.	.70	Sep. 1	Aug. 24
Gulf Oil	†.30	Sep. 11	Aug. 4
Do.	2% stk.	Dec. 8	Oct. 13
Gunnar Mining	.50	Oct. 2	Sep. 2
Hallnor Mines	.04	Sep. 1	Aug. 11
Ham. Cottons pf.	1.25	Nov. 15	Nov. 6
Do. com.	.22½	Sep. 1	Aug. 10
Handy Andy Co.	.10	Sep. 1	Aug. 15
Hollinger Cons.	.15	Sep. 29	Sep. 1
F. W. Horner A	.12½	Oct. 2	Sep. 1
Hud. Bay Co.	stk. div.	......	Aug. 18
Hud. Bay M. & S.	.75	Sep. 11	Aug. 11
Huron & Erie Mtge.	.28	Oct. 2	Sep. 15
Imp. Flo-Glaze	.37½	Sep. 1	Aug. 17
Imp. Inv. $1.25 pf.	.31¼	Sep. 1	Aug. 15
Ingram & Bell pf.	.15	Oct. 30	Oct. 16
Int. Nickel	†.40	Sep. 20	Aug. 21
Int. Paper	†.26¼	Sep. 11	Aug. 18
Do.	†1.00	Sep. 11	Aug. 18
Int. Pet.	†.30	Sep. 8	Aug. 10
Int. Utilities	.35	Sep. 1	Aug. 15
Do. pf.	†.50	Sep. 1	Aug. 15
Interpr. Pipe Line	.60	Sep. 1	Aug. 11
Invest. Found.	.60	Oct. 16	Sep. 15
Do. 6% pf.	.75	Oct. 16	Sep. 15
Island Tel.	.30	Sep. 15	Aug. 31
Do. 4½% pf.	.22½	Sep. 15	Aug. 31
Do. 4¾% pf.	.2375	Sep. 15	Aug. 31
Kelly, Douglas A	.06¼	Aug. 31	Aug. 11
Kerr Addison G.M.	.20	Sep. 21	Aug. 31
Labrador Accept. A	.10	Sep. 1	Aug. 15
Do. 5% pf.	1.25	Sep. 1	Aug. 15
Alf. Lambert A & B	.20	Sep. 29	Sep. 15
Do. A & B	.20	Dec. 29	Dec. 15
Lambton Loan & Inv.	.35	Oct. 2	Sep. 15
Laura Secord	.17½	Sep. 1	Aug. 15
Laurentide Accept. A	.15	Oct. 31	Oct. 13
Lido Biscuit	1.00	Aug. 31	unstated
Do	1.00	Dec 31	unstated
Loblaw Cos. A	.12½	Sep. 1	Aug. 9
Do. B	.12½	Sep. 1	Aug. 9
Do. pf.	.60	Sep. 1	Aug. 9
Loblaw Groc. 1st pf. ser. A	.37½	Sep. 1	Aug. 9
Do. 2nd pf.	.59	Sep. 1	Aug. 9
Do. com	.59	Sep. 1	Aug. 9
Loblaw Inc.	†.10	Sep. 1	Aug. 18
Lounsbury Co. A	.12½	Sep. 1	Aug. 10
Do. B	.12½	Sep. 1	Aug. 10
Macassa Mines	.05	Sep. 15	Aug. 15
MacMillan Bloe. & Pwl. Riv.	.15	Sep. 15	Aug. 11
Maher Shoes	.30	Sep. 11	Aug. 10
Maritime Access.	.15	Oct. 14	Sep. 29
Do.	.15	Jan. 15	Dec. 30
Massey-Ferguson	.10	Sep. 15	Aug. 18
Do. 5½% pf.	1.37½	Sep. 15	Aug. 18
Do. 4½% pf.	1.12½	Sep. 1	Aug. 18
McIntyre-Porc. M.	.25	Sep. 1	Aug. 1
Minas Bas. Pulp & Pap.	.75	Nov. 1	Oct. 15
Mtl. Trust	.35	Oct. 16	Sep. 29
H. Morgan pf.	1.19	Sep. 1	Aug. 10
Nat. Drug	.20	Sep. 1	Aug. 4
Do. pf.	.15	Sep. 1	Aug. 4
Nat. Lead	†.75	Sep. 25	Aug. 28
Do. 6% pf.	†1.50	Nov. 1	Oct. 5
Do. 7% pf.	†1.75	Sep. 15	Aug. 17
Nat. Life	.20	Nov. 1	Oct. 25
Nfld. Lt. & Pwr.	.50	Sep. 1	Aug. 15
Do. 5% pf.	1.25	Sep. 1	Aug. 15
Noranda Mines	.50	Sep. 15	Aug. 18
Normetal Mining	.05	Sep. 29	Sep. 1
Nor. Que. Pwr.	.45	Oct. 25	Sep. 30
Do. 5½% pf.	.69	Sep. 15	Aug. 25
Do. 3-6	1.50	Sep. 15	Aug. 25
N. S. Lt. & Pwr. 4% pf.	1.00	Sep. 1	Aug. 9
Do. 4½% pf.	1.12½	Sep. 1	Aug. 9
Do. 5% pf.	.62½	Sep. 1	Aug. 9
Ogilvie Flour 7% p.	1.75	Sep. 1	Aug. 1
Okanagan Hel. pf.	.15	Sep. 15	Aug. 15
Okanagan Tel.	.30	Sep. 1	Aug. 10
Do pf.	.20	Sep. 1	Aug. 10
Oshawa Whol. A	.15	Dec. 1	Nov 1
Do com	.15	Dec. 1	Nov 1
Pac. At. Cdn. Inv.	.03	Sep. 1	Aug 15
Paton Mfg.	.20	Sep. 15	Aug 31
Do 7% pf.	.35	Sep. 15	Aug 31
Pembina Pipe 5% pf	.62½	Sep. 1	Aug. 15
Photo Eng.	.40	Sep. 1	Aug. 15
Placer Dev.	.20	Sep. 22	Sep. 1
Premier Steel Mills pf.	1.50	Sep. 1	Aug. 15
Que. Pwr	.40	Aug. 25	Jul. 14
Quemont Mining	.20	Sep. 29	Sep. 1
Renable Mines	.10	Sep. 15	Aug. 15
Renolds Chains	.27	Oct. 1	Sep. 14
Do	.28	Jan. 1	Dec 14
Robinson, Little A	.25	Sep. 1	Aug. 18
Rolland Pap A	.05	Sep. 1	Aug 15
Do B	.03	Sep. 1	Aug. 15
Do. 4¼% pf.	1.06¼	Sep. 15	Sep. 1
Russell Ind.	.15	Sep. 29	Sep. 15
Sal.-Shir.-Horsey	.06	Sep. 15	Aug. 25
Scott Misener Steam.	.40	Sep. 1	Aug. 15

(Continued on Page 37)

Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask, and last sale price, instead of high, low, and close.

(Continued on page 37)

Mining Stocks

WEEK ENDED AUGUST 11, 1961

Range 1961 High	Low	Company & Dividend ($)	Sales	Last Aug. 4	Week Ending Aug. 11 High	Low	Close or latest
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 35

Oil Stocks

Range 1961 High	Low	Company & Dividend ($)	Sales	Last Aug. 4	Week Ending Aug. 11 High	Low	Close or latest
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*U. S. funds. **Initial. †Less than board lot. ‡When shown nil the figures are bid, asked and latest sale. *Paid in 1960. §Paid or declared in 1961. ‡Extra paid in 1960, shown for record purposes only, does not necessarily apply to 1961 dividend rate or payments. •After partial assets distribution. •Stock dividend ††Dividend deferred. ‡‡Capital distribution. ‡‡Following stock split. •Denotes a financing agreement has been filed with the T.S.E. and a filing statement is available to the public on request. ••Paid or declared after stock split. *Denotes company may be entering into a new sphere of activity.

Industrial Stocks

(CONTINUED FROM P. 34)

Range 1961 High	Low	Div. Y'ld ($ to Aug 11)	Company	Sales	Last Aug. 4	Week end. Aug. 11 High	Low	Close or Latest
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Company Reports

Financial

FISCAL INVESTMENTS LTD., Toronto, had $26,737 consolidated net profit for period to April 30/61 ($18,073 for year to May 18/60).

Company has continued its program of diversified investing through its wholly-owned subsidiaries in the mortgage and acceptance fields and through its investment portfolio, President William N. Allan says.

Economic Realty Corp., the mortgage subsidiary, increased its mortgage portfolio to $315,375 from $298,351. Its revenue increased to $32,543 from $28,153.

Other subsidiary, **Reserve Acceptance Co.**, had a good record of operations for its first 12 months, Allan says. It added to revenue of parent company by over $16,500. Its outlook for current year appears favorable.

CONS. INCOME ACCOUNT

Period ended:	Apr. 30 1961	May 18 1960
Total income	$60,710	$35,561
Less: Gen. exps.	20,993	14,008
Bank chge. & int.	7,439	......
Income taxes	5,551	3,480
Net profit	26,737	18,073
Less: Dividends	11,605	24,550
Surplus for year	15,132	Δ6,477
ΔDeficit.		
Earnings per Share and Dividend Record:		
Common: Earned	$0.23	$0.16
Paid	0.10	0.22
Shares o/s as at:		
Common	116,054	116,044

CONS. BALANCE SHEET—MAIN ITEMS

As at:	Apr. 30 1961	May 18 1960
Cash & rec.	$28,897	$22,063
Investments†	514,195	407,490
Mtges. & notes rec.	478,681	428,683
Real estate	29,957	29,957
Total assets	1,056,508	893,705
Bank loan	200,000	65,000
Total curr. liabs.	206,762	68,199
Mortgages	19,182	19,710
Capital stock	580,270	580,220
Contributed surplus	211,263	211,205
Capital surplus	21,631	8,635
Earned surplus	17,400	5,736
†Mkt. value	534,260	342,173
Working capital	††177,865	††46,136

††Excess of current liabilities over current assets.

Breweries

JOHN LABATT LTD., London, Ont., consolidated net profit rose 3% to $3,880,352 for year to April 30/61.

Gross sales increased 5.6% to a record $78.3 million. This was achieved by obtaining a larger share of the market and by expanding into Saskatchewan, President J. H. Moore says.

Sales have doubled since 1953 and quadrupled since 1940, he adds.

Expansion of Montreal brewery was completed on schedule and within estimated costs, doubling annual capacity to 500,000 bbl.

A warehouse was built in Winnipeg to serve Manitoba market.

A 40-acre site was purchased on northwest outskirts of Metropolitan Toronto for construction within next five years of a brewery with initial capacity of 500,000 bbl. yearly.

In Jan./61 company acquired control of **Capital Estates Inc.**, a holding company which holds shares of **Lucky Lager Brewing Co.** John Labatt also increased its interest in Lucky Lager and is the major shareholder. Lucky Lager is largest brewing concern in western U.S.

Special Products Division increased sales of nutritional additives used in preparation of animal feeds and expanded its product line to sell vitamins and other special ingredients to the food and drug industries.

A research farm has been established near London for testing feed supplements and for proving feeding techniques under Canadian conditions, Moore says.

CONS. INCOME ACCOUNT

	Year ended Apr. 30 1961 $	Year ended Apr. 30 1960 $
Gross sales	78,307,124	74,144,950
Net oper. income	9,685,277	9,502,351
Add: Inv. inc.	858,862	638,164
Prof. sale Inv. & f.a.	53,664	170,817
Net earnings	10,598,423	10,309,332
Less: Deprec.	2,257,326	2,126,705
Interest	670,688	618,130
Inc. tax res.	3,523,000	3,584,000
Min. int.	267,057	212,202
Net profit	3,880,352	3,768,295
Less: Dividends	1,866,755	1,625,541
Surplus for year	2,013,597	2,142,754

Note—Income taxes payable have been reduced by approx. $187,000 for the year ended Apr. 30, 1961, $200,000 in 1960 and $45,000 in 1959 as co. claiming capital cost allowances in excess of deprec. recorded in accounts.

Times Interest Earned:		
Before deprec.	15.60	16.68
After deprec.	12.44	13.24
Earnings per Share and Dividend Record:		
Common	*$2.70	$2.63
Paid	1.30	1.20

*Before giving effect to 3-for-1 split proposed in July, 1961.

Shares o/s at:		
Common, n.p.v.	1,435,965	1,434,615

CONS. BALANCE SHEET—MAIN ITEMS

As at Apr. 30:	1961	1960
Cash & sec.	$2,261,108	$3,519,338
Inventories	8,429,904	7,469,877
Total curr. assets	13,147,967	15,259,867
Invest., assoc. cos.	14,307,103	7,213,507
Fixed assetsΔ	26,647,430	23,774,035
Total assets	59,398,248	49,137,606
Bank loan	2,282,000	......
Total curr. liabs.	8,999,974	7,017,130
Debentures	11,775,000	10,450,000
Other oblig.	295,522	350,231
Capital stock	9,525,720	9,492,726
Earned surplus	21,926,931	19,913,334
ΔAfter depr. of	23,013,266	21,642,899
Working capital	6,148,013	8,242,737

Drilling

PARKER DRILLING CO. OF CANADA had net profit of $101,220 in year ended April 30/60, compared with $162,772 in previous year.

Company completed 63 drilling contracts, same number as preceding year. Footage drilled at 468,217 was up 6%.

INCOME ACCOUNT

Years Ended Apr. 30:	1961	1960
Net income	$683,382	$746,232
Add: Prof. sale f.a.	......	......
Net earnings	683,382	746,232
Less: Depr., amort.	490,131	477,947
Inc. taxes	92,031	105,513
Net profit	101,220	162,772
Less: Dividends	108,501	77,500
Surplus for year	Δ7,281	85,272
ΔDeficit.		
Earnings per Share and Dividend Record:		
Earned	$0.33	$0.53
Paid	0.35	0.25
Shares o/s at Apr. 30:		
Common, n.p.v.	310,003	310,003

BALANCE SHEET—MAIN ITEMS

As at Apr. 30:	1961	1960
Cash	$5,407	......
Accts., etc., rec.	722,548	$1,294,708
Total curr. assets	825,934	1,401,121
Fixed assetsΔ	1,415,219	1,600,406
Total assets	2,268,958	3,048,377
Due bank	......	354,652
Total curr. liabs.	427,413	1,177,334
Capital stock	1,395,003	1,395,003
Earned surplus	446,542	471,040
ΔAfter deprec. of	2,930,616	2,538,407
Working capital	398,521	223,787

Merchandising

AGNEW-SURPASS SHOE STORES LTD., Brantford, Ont., consolidated net profit declined 8.9% to $598,115 in year to May 31/61.

Net sales were up 5.3% to a record $16.7 million, sixth year in succession in which company made new sales record.

Profit from retail operations was down, largely due to record number of new store openings. New stores in first year of operation do not usually earn a profit because of heavy promotional and other expenses, President K. R. Gillelan says.

Sales volume of manufacturing subsidiary was well maintained but profits were affected adversely by the cost-price squeeze on the shoe manufacturing industry, president adds.

There were 145 stores in operation May 31/61, up 12 from a year earlier. New stores opened totaled 23, including 19 in shopping centres. Two stores were destroyed by fire and operations were discontinued in nine other locations.

Leasing arrangements have been completed for 11 new stores, 10 of which will be in shopping centres.

Net capital expenditures were $248,039 ($210,950 previous year).

CONS. INCOME ACCOUNT

Years Ended May 31:	1961 $	1960 $
Net sales	16,686,457	15,851,225
Net earnings	1,344,089	1,489,080
Less: Deprec.	171,717	156,756
Bond int.	12,907	17,956
Income tax	561,350	657,855
Net profit	598,115	656,513
Com. divds.	282,061	274,002
Surplus for year	316,054	382,511
Times Interest Earned:		
Before deprec.	$104.14	$82.93
After deprec.	90.83	74.20
Earnings per Share and Dividend Record:		
Com.: Earned	$1.48	$1.63
Paid	0.70	0.68
Shares o/s at May 31:		
Common, n.p.v.	402,944	402,944

CONS. BALANCE SHEET—MAIN ITEMS

As at May 31:	1961	1960
Cash	$15,440	$14,564
Inventories	4,892,018	4,977,758
Total curr. assets	5,714,592	5,814,865
Fixed assets*	1,023,964	947,642
Total assets	6,738,556	6,762,507
Due bank	450,242	393,460
Total curr. liab.	2,211,142	2,451,147
Funded debt	100,000	200,000
Capital stock	957,656	957,656
Earned surplus	3,443,940	3,127,886
*After depr. of	1,914,405	1,836,111
Working capital	3,503,450	3,363,718

Company Meetings

Date	Company	Place
Aug. 18	B. J. Coghlin Co.	Mount Royal, P.Q.
Aug. 18	Cons. Beta Gamma Mines	Edmonton, Alta.
Aug. 19	Dynamic Petroleum Products Ltd.	Calgary
Aug. 21	Rainville Mines	Toronto
Aug. 22	Canadian Export Gas & Oil Ltd.	Calgary
Aug. 24	Cdn. Homestead Oils	Calgary
Aug. 24	Mid. Chibougamau Oils	Calgary
Aug. 25	John Labatt Ltd.	London
Aug. 31	Dominion & Anglo Investment Corp. Ltd.	Toronto
Sep. 18	Sheraton Corp. of Am	Boston, Mass.
Sep. 20	Agnew-Surpass Shoe Stores	Brantford
Sep. 27	Can. Permanent Trust	Toronto
Sep. 27	Toronto General Trusts	Toronto

New Highs & Lows

In the week ended Aug. 12, 75 new highs and four new lows were recorded by general stocks listed on Canadian stock exchanges. In the mining group there were 16 new highs and 19 new lows. Western oils had nine new highs, seven new lows.

GENERAL

NEW HIGHS — 1961

Abitibi; Algoma Cent.; Do. 6% pref.; Andian Nat.; Argus; Avalon Tele.; Bk. Montreal; Bk. Nova Scotia; Bird Constr.; Can. Foils; Do. 'A'; Can. Vinegars; Can. Wire 'B'; Cdn. Steamships pref.; Cdn. Celanese; Cdn. Gas & E.; Cdn. G. Invest.; Cons. Building; Cons. Div. Sec. 'A' pref.; Copp Clark; Carby's; Crestbrook Tim.; Crown Trust; Denault warr.; Distill. Seagram; Dom. Coal pref.; Dom. Fdry.; Do. 4½% pfd.; Dom. Magnes; Dom. Stores; Dom. Textile; Enam. & Heat. 'B'; Erie Fir. & Wood 'A'; Equitable Life; Ford Motor Co.; Fraser Cos.; Gatineau Pwr. 5% pref.; Do. 5½% pref.; Gen. Motors; Goodyear Tires; Gord. Mackay 'B'; Gt. Lakes Paper; Gt. West. Life; Handy Andy; Do. warr.; Horner, F. W. 'A'; Imperial Oil; Int. Paper; Labatt, John; Loblaw Comp. 'A'; Do. warr.; Lochaber; Maher; Maple L. Mills 5½% pf.; Metro. Stores; Monarch Foods; Moore Corp.; Mt. Royal Rice; Nova Scotia Lt.; Oshawa Wh. 'A'; People's Cr. Jr.; Phantom; Royal Bank; Scarfe 'A'; Steinberg's pfd.; Sun Publishing 'B'; Sup. Propane pfd.; Union Gas; Do. 5½% pfd.; Vir. Dare 5% pfd.; Walker-Good.; West Coast Trans.; West. Plywood 'B'; Weston, G. 'A' warr.; White Hard. pfd.

NEW LOWS — 1961

Fittings; Maple L. Gardens; Pembina Pipe; St. Pav.

MINING

NEW HIGHS — 1961

Agnico; Cent. Pat.; Conwest.; Giant Mascot; Kamloops; New Senator; Norsyncomaque; Renabie; St. Lawr. Col.; Sherritt-Gordon; Siscoe; Tiara; Torbrit; Tribag; Un. Keno Hill; Zenmac

NEW LOWS — 1961

Abacus; Bidcup; Cdn. North Inca; Chesterville; Cusco; Delhi Pac.; Goldfields; Grandview; Hewey Cons.; Jubilee; Lithium; Magnum; Norlartic; Privateer; Ormsby; P. C. E. Explor.; Starratt Olsen; Sturgeon Riv.; Wendell

OILS

NEW HIGHS — 1961

Anaconda; Bralsaman; Dom. Explor.; Mayfair; Parker Dr.; Peruvian; Ponder; Ranger; West. Decalta

NEW LOWS — 1961

Bluewater; Can. So. Oil warr.; Cons. W. Pet.; Jumping Pound; Norsul; Spooner; Vandoo

Dividends Declared

(CONTINUED FROM PAGE 36)

Scythes & Co.	.25	Sep. 1	Aug. 12
Do. 5% pf.	.31¼	Sep. 1	Aug. 12
Shaw W & P 4% pf. ser. A	.50	Oct. 2	Sep. 1
Do. 4½% pf. ser. B	.56¼	Oct. 1	Sep. 1
Do com.	.20	Aug. 25	Jul. 14
Silverwood Dair. A	.15	Oct. 2	Aug. 31
Do B	.15	Oct. 2	Aug. 31
H. Simon & Sons pf.	1.25	Sep. 1	Aug. 24
Simpson's Ltd.	.20	Sep. 15	Aug. 15
S.K.D. Mfg. 6% 1st pf.	.15	Sep. 1	Aug. 15
Do. 6¼% pf.	.31¼	Sep. 1	Aug. 15
Southam Co.	.20	Sep. 28	Sep. 14
Stand. Brands	†.45	Sep. 15	Aug. 15
Stand. Radio	.20	Oct. 10	Sep. 20
Do. cl. A & com.	.10	Sep. 2	Aug. 9
D. A. Stuart Oil	.25+‡.25	Sep. 1	Aug. 10
Sup. Propane	.10+‡.10	Sep. 15	Sep. 6
Do. pf.	.35	Oct. 2	Sep. 15
G. Tamblyn	.20	Oct. 2	Sep. 8
Do. 4% pf.	.50	Oct. 2	Sep. 8
Tel. Elect. Fd Inc.	†.04	Aug. 30	Jul. 27
Texaco com.	.40	Aug. 31	Jul. 31
Do. 4% pf.	1.00	Oct. 20	Sep. 30
Thompson Pap. Box	.08	Sep. 1	Aug. 24
Do. 6% pf.	.75	Sep. 1	Aug. 24
Thompson & Sutherland A	.16¼	Sep. 1	Aug. 15
Traders Fin. A & B	.60	Oct. 2	Sep. 8
Do. 4½% pf.	1.12½	Oct. 2	Sep. 8
Do. 5% pf.	.50	Oct. 2	Sep. 8
Tr-Can. Corp. Fd.	.23	Oct. 1	Sep. 15
Union Gas 6% pf.	.75	Sep. 30	Sep. 15
Do 5½% pf.	.69	Sep. 30	Sep. 15
Un. Auto Parts	1.00	Sep. 15	Aug. 30
Un. Fuel Invest. 6% pf.	.75	Oct. 2	Sep. 8
Un. Grain Grow. A	1.00	Sep. 1	Jul. 31
Viceroy Mfg. A	.12½	Sep. 15	Sep. 1
Victoria & Grey Trust	.40	Sep. 15	Aug. 25
Virginia Dare pf.	.31¼	Sep. 1	Aug. 14
Waite Amu. Mines	.15	Sep. 11	Aug. 18
West. Can. Brew.	.30	Sep. 1	Jul. 31
Geo. Weston A	.07½	Oct. 1	Sep. 10
Do. B	.07½	Oct. 1	Sep. 10
Do. 4½% pf.	1.12½	Sep. 1	Aug. 15
Do. 6% pf.	1.50	Sep. 1	Aug. 15
G. H. Wood 5½% pf	1.37½	Sep. 1	Aug. 15

•—1 ord. sh. for ea. sh. held.
†—U S. funds. ‡—Extra.
*—The ex-dividend date is usually at least two full business days prior to the record date.
♦—First foll. 5-for-1 stock split, July/61.
♦—First foll. 2-for-1 stock split, May/61.

Bond Redemptions

Bond Issues	Rate %	Year	Call	Price
§Loblaw Groceterias Co., Ltd. S.F. Debs., ser. E	6	'77	Sep. 1	102.55

§—$128,000.

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B.C. Offshore Oil Claim Another 'Monkey Wrench'

British Columbia Premier W. A. C. Bennett has thrown another monkey-wrench into worsening federal-provincial relationships by claiming provincial ownership of all offshore oil rights in British Columbia.

Shell Oil Co. of Canada, seeking exploratory permits covering 11 million acres of offshore land along the western coast of Vancouver Island and in Queen Charlotte Sound, is caught in the middle of the controversy.

Shell has applied to Ottawa for the permits. But Bennett contends that the lands are under provincial jurisdiction.

This is not an entirely new issue. It has arisen — in slightly different forms — on two or three former occasions without a definite settlement being reached.

On a previous off-shore application involving lands around the Queen Charlotte Islands **Richfield Oil Corp.** "played it safe" — filed with both the federal and provincial governments.

But the problem will arise in meeting the different lease commitments of the two governments.

This will be the first time that Shell has engaged in offshore activities in Canada.

Inco Sales, Profits Slip In First Half

International Nickel first half profits are down 14%, to $37.6 million ($1.28 share) from earnings of $43.9 million ($1.50) in six months to June 30/60.

Second quarter earnings, at $18.9 million are up about 2% from first quarter profits.

Chairman H. S. Wingate says nickel deliveries were "slightly" below first six months in 1960, but about 10% above sales in last half 1960. Average selling price for copper was below levels for both first and second halves of last year.

Capital works in first six months amounted to $22,205,000, compared to expenditures of $36,179,000 in 1960 first half.

Company statement says last half outlook is for strengthened nickel demand following increased activity in the U.S. steel industry.

Here are Inco statistics:

	First Half 1961 $	First Half 1960 $
Net sales	258,845,000	268,758,000
Other income	773,000	2,089,000
Costs	177,693,000	179,927,000
Taxes	30,981,000	34,161,000
Depreciation	8,800,000	8,570,000
Pension plan	4,491,000	4,287,000
Net profit	37,653,000	43,902,000
Per share	$1.28	$1.50

Falconbridge Output High, Net Rises 9%

Falconbridge Nickel Mines, well-to-do centre of merger plans by two of Canada's mining titans, reports a 9% rise in profits and level of nickel output running at a 70 million lb. annual rate.

Falconbridge, to be merged with **Ventures Ltd.** in a plan which includes parent **McIntyre Porcupine Mines (FP,** Aug. 5, 12), earned $8.4 million ($2.24 share) compared to $7.7 million ($2.06) in first half of 1960.

And further "beneficial effects" on earnings are expected in the last half of the year.

President H. J. Fraser notes July's nickel price increase and effects of improvement in the dollar exchange rate will be reflected in second half profits.

Favorable factors for first half improvement were higher metal deliveries, greater special income earned under long-term nickel contracts, as well as dollar exchange rate benefits, Fraser says.

Demand for nickel has continued firm in Europe, he adds, and has strengthened in recent months in the U. S.

Fraser notes that exploration expenses include cost of pilot plant constructed in the Dominican Republic to test property ores. It will operate a "year or more" before all desired information is obtained, he said.

Shaft sinking at the Strathcona and Marbridge mines is proceeding satisfactorily, Fraser reports. Work on the iron recovery plant is going ahead after a late start this spring, he adds.

Company delivered 33,676,000 lb. nickel in the period, compared to deliveries of 32,292,000 lb. in six months to June 30/60.

Here are Falconbridge results:

	First Half 1961 $	First Half 1960 $
Operating profit	16,409,706	15,721,334
Non-op. rev. & exp.	1,507,155	697,520
Dev. write-offs	1,809,810	1,729,486
Depreciation	3,151,098	3,256,098
Exploration	1,442,186	664,299
Interest	447,390	605,262
Taxes	1,123,000	910,000
Special depreciation	1,500,000	1,500,000
Net profit	8,443,377	7,753,709
Per share	$2.24	$2.06

Bulolo Bullion Down 19% on Year

Fiscal year gold output by **Bulolo Gold Dredging** was valued at $631,785, down 19% from gold sales in year to May 31/60.

Recovery in latest 12 months was 18,051 oz. from 5,501,005 yards dredged, compared to 22,377 oz. from 5,698,610 yards a year ago.

Estimated net profit from New Guinea and Australian operations for the fiscal year is $511,500, compared to net earnings of $822,425 a year ago.

Company says end-July market value of its 145,732 shares in **Placer Development,** bought for $1,737,000, is $2,987,500.

STOCK MINING EQUIPMENT

Jeffrey Manufacturing Co. has placed a warehouse stock of products in Sept-Iles, Que., to service mining and construction firms in the Quebec-Labrador area. Products include: Jeffrey heavy steel roller drive chains; Diamond ASA roller chains and flexible couplings; roller chain sprockets; belt conveyor components such as welded steel pulleys, pillow blocks and take-ups; Permaseal idlers of heavy duty and medium duty types. Address in Sept-Iles is Papineau and Laure Aves.

ANNOUNCEMENT

DOMINION RUBBER APPOINTMENT

D. D. FRASER

Appointment of D. D. Fraser to the position of sales manager of Dominion Rubber Company's General Products Division has been announced by W. H. Schmalz, the division's general manager.

Mr. Fraser who is a graduate of the University of Manitoba, joined Dominion Rubber in 1946. He has served as technical sales representative in Western Canada for the Naugatuck Chemicals' division of the Company and most recently held the position of sales manager of the Latex and Reclaim Division, Montreal.

Mr. Fraser will make his headquarters in Kitchener, Ont., and will be in charge of sales of vinyl-coated fabrics, foam and sponge rubber products, textiles and insulation materials, and automotive products made by the division.

ANNOUNCEMENT

NORANDA SALES CORPORATION LTD.

C. C. MUIR

R. G. DRIVER

As previously announced Noranda Mines, Limited confirms the formation of a wholly owned subsidiary, Noranda Sales Corporation Ltd. to incorporate the functions of the Sales Division of Noranda Mines, Limited. Mr. C. C. Muir has been elected President and Mr. R. G. Driver, Vice President. Both have been senior officials of Noranda's Sales Division.

FP reports on MINES & OILS ACTION

By FRANK KAPLAN

THE INTERNATIONAL GOLD picture gets more confusing every day but shares of gold producers continue to creep higher.

One effect of some monetary juggling to strengthen sterling is $75 million boost to the U. S. gold reserve. This news would be expected to be discouraging to the gold market and to speculators in gold shares since much of the previous buying had been based on a continuing drain in the U. S. gold stock.

Instead, the price of gold resumes its advance on the London bullion market, climbs to the equivalent of US$35.16⅛ oz. from around US$35.14 earlier this month.

Meanwhile, the Toronto Stock Exchange gold index reflects continuing interest in gold stocks with a 5% gain over a month, largely because of a few leaders.

Here are some price swings.

	Latest $	Mid-July $	Mid-June $	1961 High $	1961 Low $
Aunor	3.00	3.15	3.10	3.20	2.65
Bralorne	6.25	6.40	6.05	7.60	5.80
Campbell Red Lake	16¼	16	13	18¼	11⅝
Cons. Discovery	2.55	2.58	2.61	4.05	2.50
Cochenour Willans	3.95	4.00	3.95	4.15	3.20
Dome	24¾	24⅜	23	27⅞	19⅞
Gt. Yellowknife	12⅛	12¾	11	14¾	9.50
Kerr-Addison	10⅝	9.90	9.50	13¾	8.75

* * *

Lots of confusion still in the **Ventures-Falconbridge** merger plan, at least so far as the stock market is concerned. Falconbridge persists in trading at a higher price than Ventures although it would appear that Ventures should be trading higher than Falconbridge. The proposal is 104 shares of Falconbridge for 100 shares of Ventures. Ventures comes back on the TSE board, trades at $59⅞, ahead from around $57½. Falconbridge is at $61⅞, ahead from $56¾.

The speculative pot boils briskly on **Conwest** and **Central Patricia,** associated in exploration activities in the Yukon on an 80-20 split. First interest is from a copper find but latest speculation is on a silver discovery said to be 40 mi. from the copper. Street talk is of a phenomenal 100 to 250 oz. per ton along a 3,000 ft. zone. The company says it has been informed of the find but doesn't have any substantiated details, Conwest at $4.50 is ahead from around $4 and Central Pat at $1.39 climbs from $1.04.

* * *

Stocks of the Beauchemin group of companies turn higher with two of the companies reporting increased income in the first half. Pierre Beauchemin and his sons have been active in Quebec exploration and financing for years, have built up a string of interlocking diversified interests including base metal producer **East Sullivan Mines** (and subsidiary **Sullico**), gold producer **Sullivan Consolidated,** lithium refinery **Quebec Lithium** and copper developer **Hastings Mining.** Sullico has gross of $480,000 and Sullivan boosts output to 27,049 oz. from 18,821 oz.

Share action: East Sullivan at $1.68 is ahead from $1.65, Sullivan at $1.60 is up from $1.45, Quebec Lithium firms from $4.80 to $5.15, drops back to $4.90, Hastings at 98c is ahead from 90c.

* * *

ON THE OIL AND GAS FRONT—prices tend to settle back slightly from a recent upturn. **Canadian Devonian** at $4 is off about 10c with activity light. **British American Oil** is returning shares deposited under its expired offer to pay $5.10 a share.

Biggest feature is one of the combination mining-oil operations—**Peruvian Oils.** Heavy turnover churns the price sharply higher from about 85c a few weeks ago to a $2.08 top and a mid-week level of $1.96. There isn't a word from the company to explain this more-than-doubling of price but there are plenty of rumors bubbling around with the strongest mumbling about a "gasser in Peru".

Calgary & Edmonton reports first half net up at 28c a share from 16c in same period last year. Stock has been a firm spot, climbing from $17¼ to $18, settles at $17⅞. **Canadian Export Gas** boosts net income 62% in its latest year, talks about a possibly significant gas discovery in northwestern Alberta. Shares at $1.70 firm from $1.65.

Try Future Outside Uranium For Bancroft Area's Mines

The uranium mines of the Bancroft area in eastern Ontario this week tightened plans for a future outside the uranium business.

- **Faraday Uranium** completes a smelting contract for **Nickel Mining & Smelting,** starts the ball rolling for production by the fall of 1962 from Nickel Mining's nickel-copper property.
- **Bicroft Uranium** decides to merge with its parent — gold producer **Macassa Mines.** Bicroft and Macassa shareholders to consider merger proposal at Sept. 8 meetings.

Bicroft shareholders are to get one share of the new company for each five now held, Macassa exchange is to be one-for-one. Bicroft shares trade at 69c, Macassa at $3.50.

The Faraday-Nickel Mining deal includes a contract to sell concentrates to **International Nickel Co. of Canada.** Capacity at Gordon Lake will be 700 tons daily with a preliminary production of 15,000 tons monthly.

A. W. Johnston, president, says operating profit is estimated at $7.50 a ton at current prices for nickel and copper.

Faraday supplies the money—up to $3 million—under a previous agreement which provides for up to $3 million of Series B bonds with Faraday having option on two million shares exerciseable as bonds are taken down.

The Macassa-Bicroft deal brings Bicroft shareholders into an organization which operates two gold mines and a quarry. Macassa owns 76% of gold producer **Renabie Mines.**

The merger, subject to approval of two-thirds of votes cast at the meetings, provides for possible tax benefits along the lines of similar previous mergers started by uranium producers in the Elliot Lake area.

It is estimated that Bicroft has some $6.4 million of write-offs which would be available for tax purposes to the amalgamated company.

From Macassa's standpoint, the merger would give the company additional cash to expand exploration and development activities of its other interests.

Bicroft is expected to have a cash position of about 56c a share on completion of its existing uranium contract at the end of this year.

A pro forma balance sheet as of June 30 shows working capital of about $2.6 million.

From Bicroft's standpoint, the shareholders obtain a continuing interest in a productive mining venture paying dividends of 5c quarterly.

The merger announcement says a 5c quarterly dividend is planned.

Macassa and Bicroft are part of the Little Long Lac group of companies with 1.1 million of Macassa's 2,678,068 shares held by **Wright-Hargreaves Mines.** Macassa holds 1,002,000 of Bicroft's 3,057,475 shares.

$1.67 Share Net For Denison In First Half

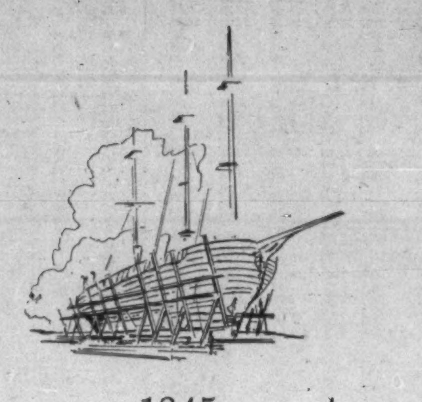
Denison Mines, a big Elliot Lake area uranium producer, reports a net profit of $459,000 ($1.67 a share) for the first half of 1961. A letter to shareholders says profit before write-offs was $17,353,000 and writeoffs totaled $9,894,000.

Working capital at June 30 was $33,347,000, an increase of $5,940,000 during the six months after retirement of $4,153,000 long-term debt and provision for $4,474,703 dividends, Stephen B. Roman, president, says.

Long-term debt at June 30 was $18,395,000 of which $5,590,000 matures this year.

No comparative figures are available because of change in basis of calculating writeoffs following amalgamation with Can-Met.

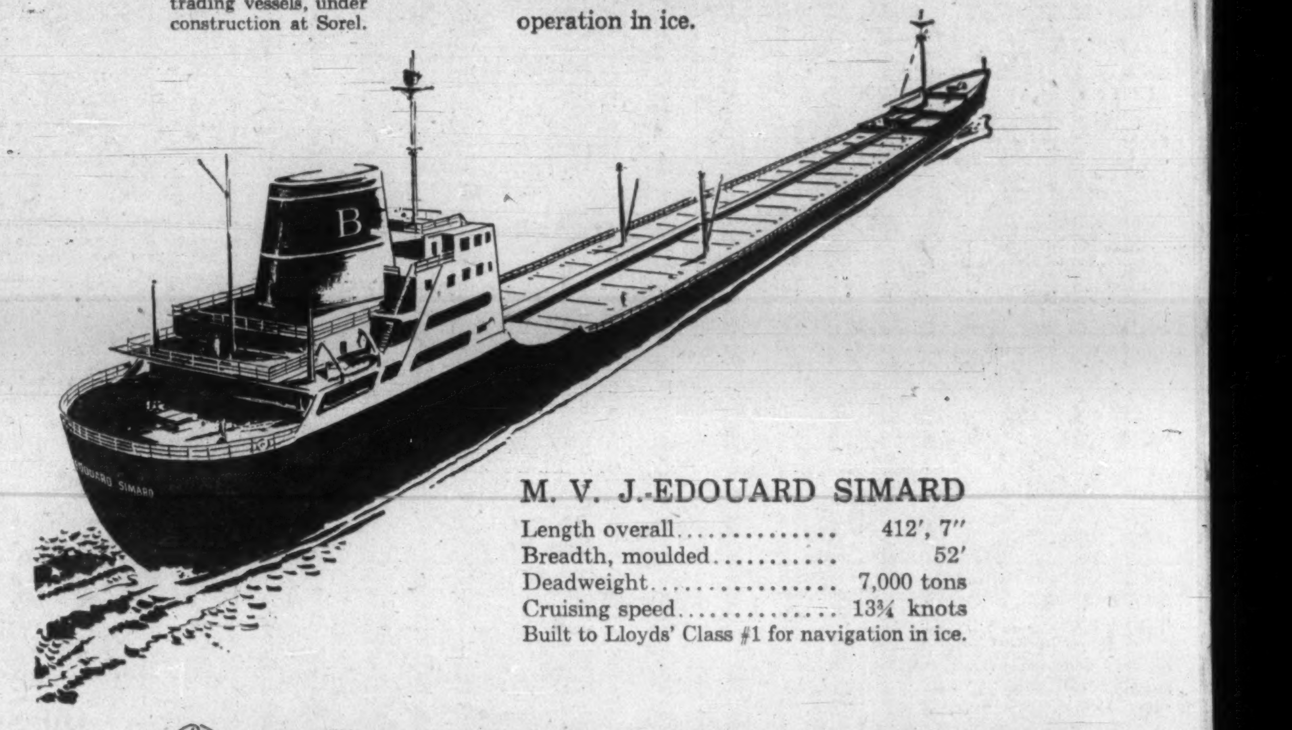
From early days Marine Industries Limited, step by step, has kept pace with Canada's progress in world transportation, on land and sea. Building its trading vessels, dredging its waterways and constructing freight cars for its inland transit have been part and parcel of the company's march forward with the country of its birth.



1845

"The Richelieu", one of the first wooden trading vessels, under construction at Sorel.

1961 marks the latest in Marine Industries' up-to-date ship construction. This new, 7,000-ton tanker is equipped with every last-minute marine innovation and is specifically designed and re-inforced for Arctic navigation and operation in ice.



M. V. J.-EDOUARD SIMARD

Length overall.............. 412', 7"
Breadth, moulded.......... 52'
Deadweight................ 7,000 tons
Cruising speed............. 13¾ knots
Built to Lloyds' Class #1 for navigation in ice.

Marine Industries Limited

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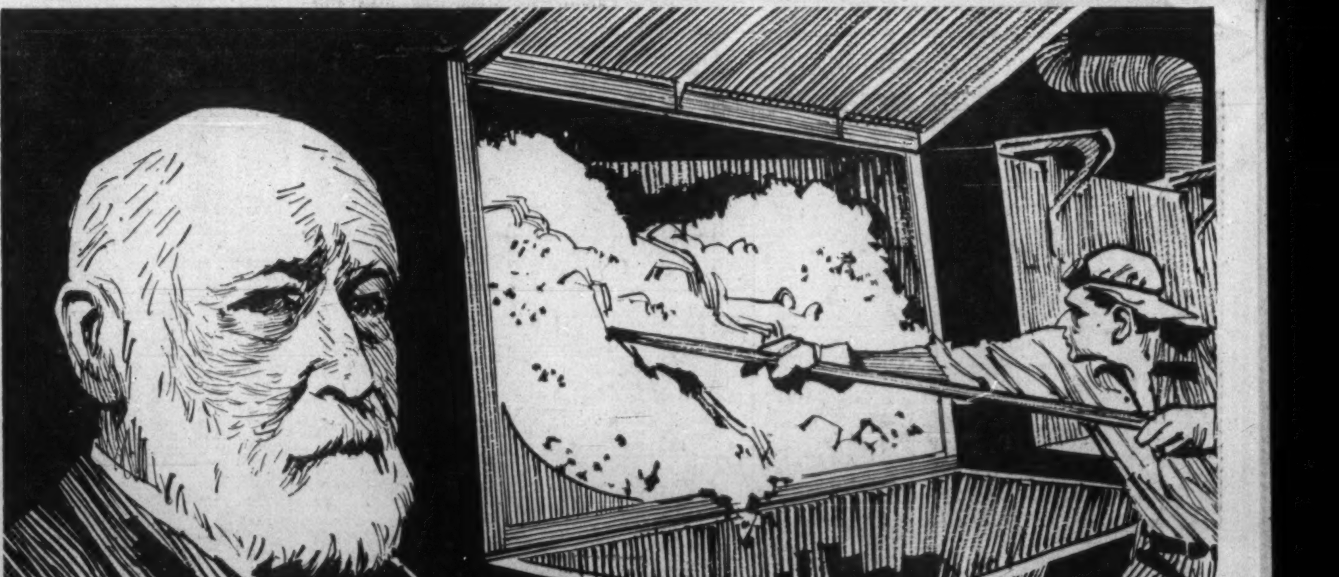

Celluloid, the grandfather of modern plastics, was developed in 1870 by an American printer, John Wesley Hyatt. He mixed nitro-cellulose with camphor and subjected the mixture to heat and pressure. This produced a substance which could be molded to any desired shape and subsequently became "as hard as horn or bone."

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They're Holding Back Silver Hoping for Higher Prices

By JOHN BLACK

Outlook of the Canadian silver industry for a price increase within a "few months" is buoyant enough that some mines are now holding back on bullion or concentrate deliveries.

With U.S. free silver stocks dwindling at an increasingly rapid rate, there has been a fresh wave of interest in silver shares. (See table).

And this time, unlike with earlier (**FP**, Mar. 4) price rise hopes, some producers have made moves to hedge on a silver rise by retention of bullion stocks or by mining practice—finer control of high grade ores.

Their estimates of when price will rise vary from a "few weeks" to 12 months. Most figure a change will come in three to five months.

Silver price is effectively pegged at US91c oz. by willingness of the U.S. to buy and sell silver at that price. However, for monetary purposes, the U.S. values silver at $1.29 oz.

Canada's changed dollar already benefits silver producers. In 1960 Canadian output (a record 33.7 million oz.) grossed an average of around 89c per oz. At current discount rate, average gross price received is about 92.5c.

Excitement among producers stems from the unrestrained rate of withdrawal from U.S. free silver supply. Last week these government stocks were down to 74.5 million oz. from 123.5 million at end /60 as government sales rate rose to about seven million oz. per month from four million oz. average in first quarter.

Producers on both sides of the border believe that the U.S. supply will be exhausted by early 1962 at this buying rate.

In Canada, a leading metal dealer says trading in silver has increased notably and inquiries from firms now reflect "interest in the metal on the basis of a price rise shortly."

Today's big demand-supply imbalance in silver has been developing gradually, but inexorably, producers say.

In the last five years, non-communist world new production has held steady at about 200 million oz. annually. Consumption, however, has risen from 272.5 million oz. in 1956 to 319.3 million oz. last year, an average rise of 9.3 million oz. annually.

The U.S. stockpile of non-monetary silver has filled the gap.

Producers have long argued that if the U.S. depleted this supply source, and dipped into its 1,741 million oz. of treasury reserve silver, sales would have to be made at a higher price since $1.29 was paid for monetary stocks.

They contend the Treasury would start a political uproar by selling monetary reserve stocks at less than the price it cost the government.

Outside the U.S., pressure of European demand at year end pushed price of London forward delivery silver ahead of spot delivery price. London price through 1960 was consistently above U.S. level, averaging about 93c.

Inside the U.S., producer's lobby is battling users' lobby as price arguments boil around Congressmen.

A notable Canadian protagonist of the producers is **Siscoe Mines**, whose chairman, J. B. Lynch, is acknowledged by industry here as a colorful commentator on fortunes of silver.

Lynch recently urged U.S. shareholders in his own company to petition government, through Senators, on behalf of a higher silver price and "conservation of its (the U.S.') silver inventory."

Meanwhile, silver mining rate in Canada continues at a level with last year's peak output.

In the Cobalt-Gowganda camp of Ontario, majority of silver producers told **FP** that mine production in first half 1961 was close to or even with first half /61. Only **Langis Silver & Cobalt** is down notably (346,440 oz. from 581,700 oz.) and this mainly due to first half emphasis on development work, a company official says.

However, first half deliveries of silver in all forms from mines in this area, via the Temiskaming Testing Laboratories, are down 18% (to 2.2 million oz.) from the comparable 1960 period, Department of Mines reports.

Canada's largest single mine source of silver, **United Keno Hill**, reports output in six months to Mar. 31/61 at 3.5 million oz., down a shade from 3.6 million oz. produced in comparable 1960 period.

A United Keno official says deliveries are keeping up with output. Company's Yukon mines also produce lead and zinc concentrates, have ore adaptable to control for higher silver recovery.

Consolidated Mining & Smelting last year recovered from its own ore and purchased ores some 8.7 million oz. to make it the biggest Canadian silver supplier. Cominco President W. S. Kirkpatrick says silver production to date is "about the same" as in 1960.

Silver Shares Strong

	Mid-Aug. $	End Mar. $	Change %	1961 High $	1961 Low $
Agnico	1.10	0.68	+62	1.10	0.56
Deer Horn	0.24	0.25	—4	0.29	0.23
Langis	0.62	0.42	+48	0.67	0.37
Silver Miller	0.40	0.38	+5	0.47½	0.30½
Siscoe	2.13	1.20	+77	2.13	1.12
United Keno	11.75	8.70	+35	11.75	8.15

New Boom For Cobalt?

Rising hopes of a higher price for silver have given Cobalt, Canada's veteran mining camp, encouragement of a new boom.

Exploration on old and new Cobalt ground has increased steadily in the past few seasons. Established producers have been spending heavily on development programs since last year (**FP**, Feb. 25).

This week **Silvermaque Mining**, a marriage of Cobalt assets of **Silver Contact Mines** with **Norsyncomaque Mining**, reports plans for a mine revival try.

Silvermaque, piloted by Cobalt veteran A. D. Hellens, proposes to spend around $100,000 on dewatering and redrilling old workings of the New Lake Basin property. This ground, which last yielded silver about 10 years ago, was a prime asset of Silver Contact when Hellens and associates bought control from the Boylen interests in 1958.

Hellens' reorganized company still includes a clutch of Norsyncomaque prospects: gold and base metals in Quebec, uranium ground at Elliot Lake, base metals in the Maritimes; also, interests in petroleum production and ventures.

Drilling programs around Cobalt have already been conducted by **Marcon Mines, Rix Athabaska Uranium Mines** and **Rayrock Mines.**

Other companies started, or about to start, on programs which range from surface surveys to shaft sinking are: **Mentor Exploration & Development, Keeley-Frontier Mines, Glen Lake Silver Mines, Professor Silver Mines, Pittsonto Mines, Silverside Mines.**

Spending on Cobalt area exploration this year has been estimated at more than $1 million.

Last Act Ended In Devonian Fuss

Last act in what was once a hot battle for control of **Canadian Devonian Petroleums** ended this week.

An offer to buy Devonian shares at $5.10 expired.

This offer was made by **British American Oil** last spring (**FP**, April 1), was part of a chain of bids between B-A and the Keevil mining group that started with B-A at $4.95, went to Keevil at $5.10 matched by B-A and then Keevil at $5.25.

The Keevil group bid for 1.5 million shares only and picked up its shares.

B-A's offer for all the stock required deposit of 55% to Devonian's outstanding 3,429,664 shares. It expired Aug. 11. A letter from B-A to Devonian shareholders says shares deposited under the offer will be returned since holders of less than 35% of outstanding shares accepted.

ANNOUNCEMENT

CHROMIUM MINING & SMELTING CORPORATION, LIMITED

J. THOMAS TIMMINS

ROBERT G. NESBITT, C.A.

The Board of Directors of Chromium Mining & Smelting Corporation, Limited announces the election of J. Thomas Timmins as its President. Mr. Timmins was formerly Vice-President and General Manager and will retain his position as General Manager, in addition to that of President.

The appointment of Robert G. Nesbitt, C.A., as Treasurer of Chromium Mining & Smelting Corporation, Limited was also announced by the Board of Directors. Mr. Nesbitt, who was appointed Secretary of the Corporation on June 2nd, 1961, will retain this position in addition to his new responsibilities.

??? 9 SPECIFIC SECURITIES ???

TRANS-MOUNTAIN—What is professional opinion concerning the pros and cons of medium-term price risk at current levels on the TSE? Ask yourself the same question about **DOMINION TAR** and **SALADA-SHIRRIFF-HORSEY**. Would Forecaster researchers say that these certain securities are bargains or grossly overpriced at this point in the trading season, and is there or is there not a correct "technical" interpretation that will point unerringly to the direction of upcoming moves over the medium term ahead? Also: Of the three foregoing securities, are Forecaster researchers singling out TRP as more bullish or more bearish than DTC and SHR?.

Gold Mines: Which is the better buy so far as potential profit margins are concerned — **UPPER CANADA, COCHENOUR WILLANS** or **BRALORNE**? All good companies, but one does nevertheless appear to have the decisive edge.

AND THREE OTHER INDUSTRIALS: (1) A manufacturer and distributor of ethical pharmaceutical products — antibiotic, sulfonamide, anticoagulent preparations and the like — a company which also distributes radioisotopes and prepares radioactive compounds; a company whose plant, equipment and research facilities have been expanded and whose activities in cancer research are most important. (2) One of the most consistently active traders on the Industrial Board all this year and a security that even now you may be contemplating from the standpoint of either accumulation or liquidation — a $458 million blue chip, in fact, and a familiar name to any investor who is even casually abreast of the market. If you happen to be holding this one, you're well advised to seek out an objectively unbiased professional point of view — in which context, remember that Forecaster researchers are not stock salesmen, have no commission to collect as a result of your decision to act upon advice in terms of "buy" or "sell". (3) One of Canada's blue-chip companies engaged in the brewing, bottling and distribution of ale and beer. Which one? What's the investment outlook — good or bad?

AND on Page 7 of our August 18 commentary on Canadian stocks and the market, we discuss this latter security as well as the eight others mentioned above. Moreover, we'll be pleased to send the August 18 issue of our investment weekly as an "extra" to any investor *who attaches this advertisement* to his request for either a trial or regular subscription of the Forecaster. Cordially invite you, therefore, to **write us today — THE FORECASTER, 238 Adelaide Street West, Toronto — for either a Six-Week Trial ($5, airmail $5.50) or a regular annual subscription — $50. As ever, individual attention by mail, phone, wire or in personal conference for all readers whenever they wish and at no additional charge. Feel free, of course, to query Research Department about any stocks you may be wondering about in your first letter. Our telephone number is EMpire 4-5421.**

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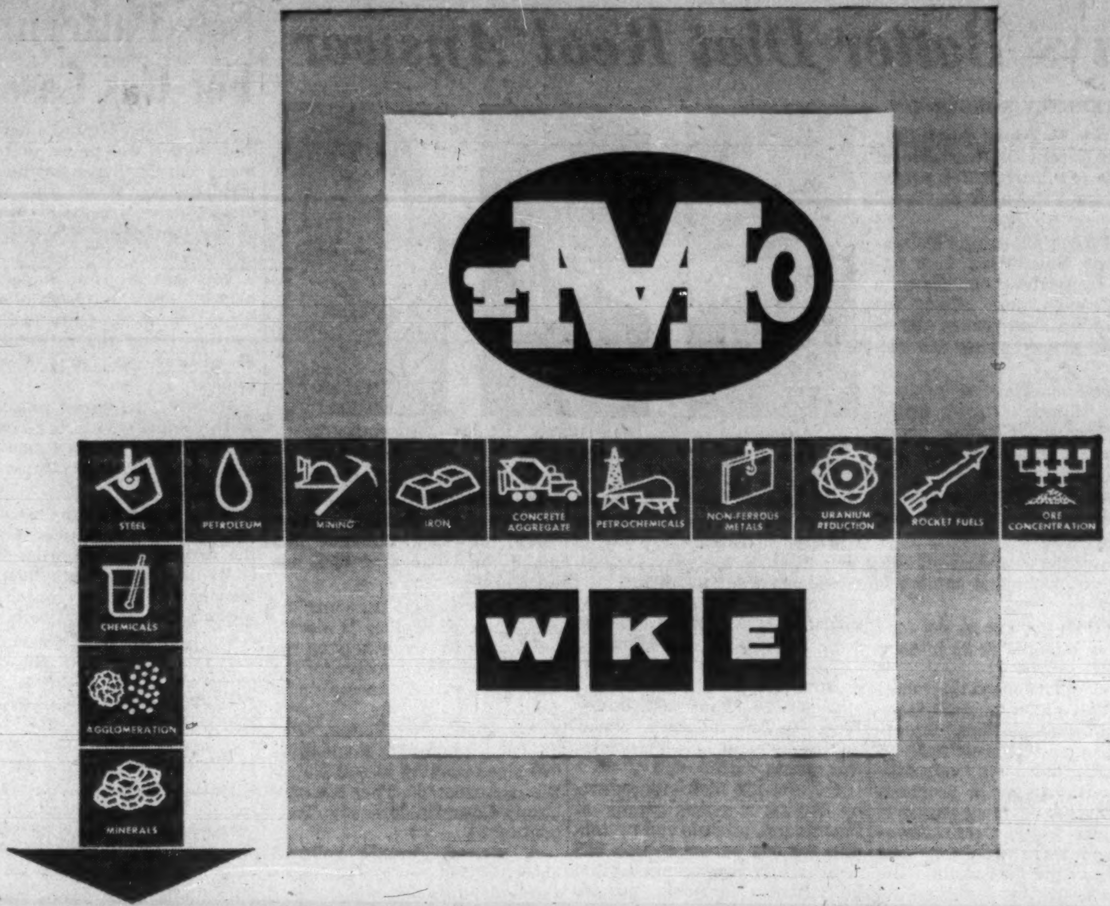

One of these symbols may represent your own industry. Others, which seem far removed, may be more closely related than you realize. But, each one represents a field of engineering and construction in which we have specialized knowledge and long, practical experience. ● The know-how we have gained in one industry often pays off for another. For example, our steel plant engineers and petroleum refinery engineers recently pooled their knowledge of blast-furnace practice and hydrocarbon processing to design new methods of substituting hydrocarbons for part of the coke used in making pig-iron. This stepped up pig-iron output some 20 per cent at one plant and saved over a million dollars a year per furnace in fuel cost. ● In another case WKE engineers applied their knowledge of mining and ore preparation to the design and construction of facilities for producing and handling 1,600 tons of limestone aggregate per hour. Described as "the biggest and most efficient in the United States," this $5,000,000 project is a masterpiece of automation. ● If your project needs this kind of versatile approach, McKee-WKE engineers can supply it—anywhere in the world. A call to any of our offices in fourteen cities will get you fast action.

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A typical report of Mack durability comes from Winnipeg, Manitoba, where general merchandise hauler Atomic Transfer Ltd. drives its Mack tractors hard and fast on long distance runs through the provinces of Alberta, Manitoba and Saskatchewan with 58,000-lbs. GCW. Mr. R. R. Engel, Vice President and General Manager of Atomic, sums up his company's feeling for Macks this way. "In our company the records speak for themselves. Our first Mack—a 1956 B-61 Model—logged 600,000 economical, trouble-free miles before its first major overhaul. We've been adding them to our fleet ever since, with extremely satisfactory results. These trucks normally run over 100,000 miles a year and average 8 miles per Imperial gallon."

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IT'S PART OF THE LANGUAGE.. BUILT LIKE A Mack.

Top Salesman for Food Pills Says Better Diet Real Answer

By TERENCE ROBERTSON

YOUNG
President

COFFEY
Athletics

CUMMINGS
Research

Charles W. Young, powerfully built president of **Nutri-Bio of Canada (FP, Aug. 5/61)**, surged east from Vancouver this week to:

- **Tell** 2,000 pill-happy distributors at Nutri-Bio's first national convention in Toronto that through their efforts the company's initial year of operation had grossed nearly $10 million.
- **Spread** a message of "positive health" through "good eating habits" which, if applied across Canada, could eventually put him out of business.
- **Quash** the belief of unbelievers that he has founded a new Canadian cult.
- **Show** the wonders of the "pyramid" technique applied to selling.

He told **FP**: "I'm in the food business — and I've no interest in starting cults.

"If people balanced their diets and didn't eat so hurriedly they wouldn't need additional minerals, vitamins and proteins."

Young said he was really selling a national health program, an attempt to persuade people to eat properly. If he were successful, then there would not be such a demand for his Nutri-Bio pills.

"That's fine by me," he said. "Balanced diets might put us out of business but we would have a nation of healthy Canadians in exchange."

Young, an ex-roller rink owner in California, joined the U. S. **Nutri-Bio Co.** four years ago as a distributor. When his "protected area" grew to 7,000 sub-distributors and customers, he sold out and moved into Vancouver to establish a Canadian operation.

"I had $180,000 and a secretary, that's all," he said. "When I started in August last year, I gave the U. S. company 41% interest and went to work.

"Now we have about 8,000 distributors in Canada selling to some 300,000-odd customers."

The Vancouver headquarters is administrative only, with a staff of 26. The distribution centre is Toronto where a new packaging plant is being opened this month with a staff of 60.

A Nutri-Bio distributor starts by buying a year's supply of the mineral, vitamin and protein pills for one person costing $26 retail. The company insists that he become a consumer "just so that he understands what we're trying to sell," said Young.

Then he orders a stock, the minimum being $50 worth, which he can sell and pocket a 35% discount.

As his customers, initially drawn from friends, relatives and neighbors, grow he can increase orders to 566 units of Nutri-Bio worth $13,000.

His discount goes up to 60% so he pays only $6,900 for the shipment.

By this time, he would be employing sub-distributors, give them the 35% discount and make the balance of 25% his own profit.

Under this system, some direct sales promotion is necessary. "But we really rely on referrals and repeat orders for the bulk of our business," said Young.

According to Young, one Montreal couple has made $75,000 since starting to sell Nutri-Bio in August/60. They are now Group Co-ordinators with their own office.

A former Toronto railroad clerk started as a distributor three months ago.

His reported earnings: **$7,000 the first month, $10,000 the second, $15,000 in the third.**

Key spreader of the Nutri-Bio word is Hollywood actor Robert Cummings, whose own Nutritional Research Institute of Los Angeles has been incorporated into the U. S. organization.

Cummings is officially a vice-president in charge of research and development.

His principal colleague in this field is Howard Hilleman, former nutrition expert at the University of Oregon and inventor of the Nutri-Bio line of food tablets.

Young said the line was becoming increasingly popular with Canadian athletes.

"We've made Tommy Joe Coffey, Edmonton Eskimo's star, head of our athletics division," he said.

"Now we have customers in most of the Canadian football teams."

But he expects his business to get its biggest impetus from a new product appearing on the market later this month called Baby-Bio.

This is a protein-vitamin-mineral combination which can be "dusted" on to solid foods for babies.

Ont. Board Sets Pattern For Gas Cases

After a seven-month hearing and some 1,000 pages of testimony the Chairman of the Ontario Energy Board this week handed down a 36-page decision on the **Consumers' Gas Co.** rate application.

This was the first major rate hearing held in Ontario since formation of the Ontario Energy Board and the introduction of natural gas from Western Canada.

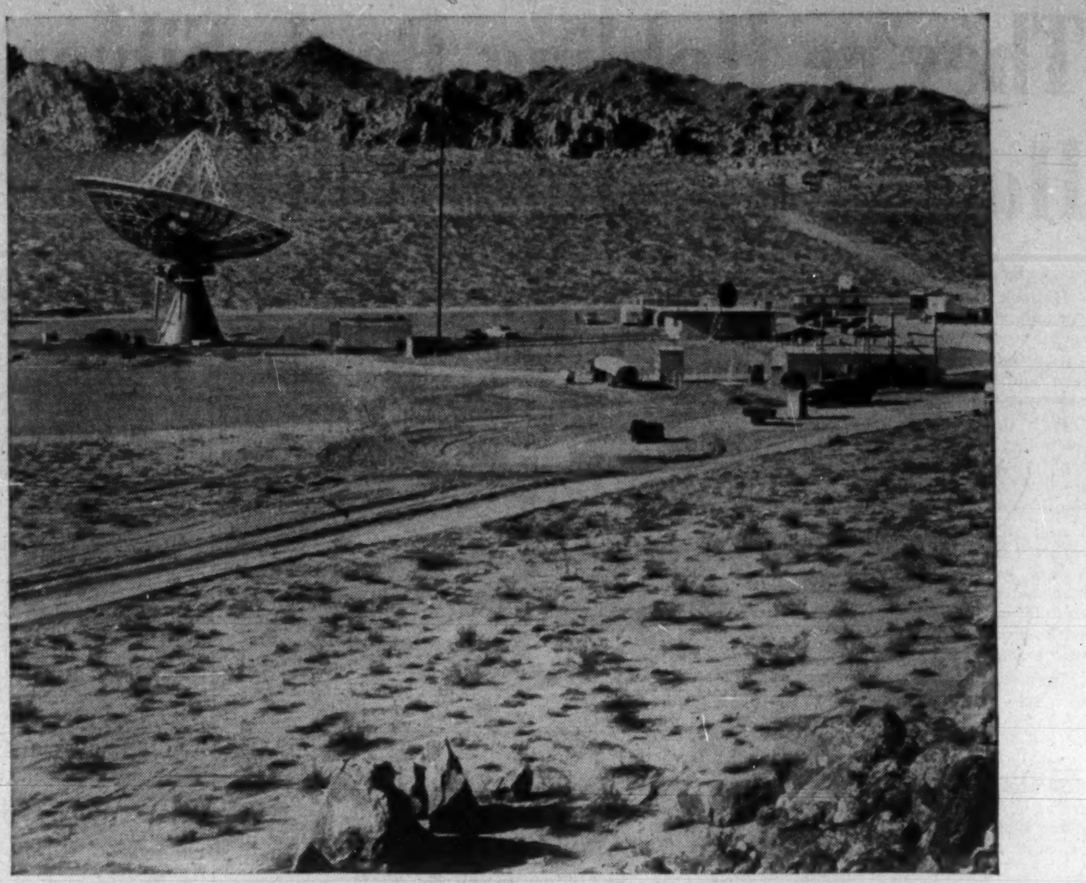
Many of the issues presented were complex. It is the board's intention that this decision will serve as a guide in future rate hearings.

It has found that the rates applied for by Consumers' Gas in the various municipalities served by the company are "just and reasonable" and an order approving the rates will be issued.

The board has determined that the rate base of the company as at Sept. 30/59 was $110,782,000 and net return to the company for the same period was $4,799,600, resulting in a rate of return of 4.33%.

Based on the unaudited financial statements for the fiscal year ending Sept. 30/60, it would appear that the rate of return is "well within reasonable limits", the board states.

Chairman of the board is A. R. Crozier. The other three commissioners to hear the application: D. M. Treadgold; Professor E. A. Allcut, and J. J. Wingfelder.



BENDIX—AMERICA'S CHIEF DETECTIVE EYEING OUTER SPACE

As "moon-like" a surface as any spot on earth, this "deep space" instrumentation facility at Goldstone, Cal., on the borders of Death Valley and the Mojave Desert, is the latest Bendix space tracking responsibility.

Conceived and built by California Institute of Technology, Jet Propulsion Laboratory, for the U.S. National Aeronautics and Space Administration, it is used for communications operations between lunar and interplanetary probes and the earth, and for research and development in space communications.

The operation and maintenance of Goldstone brings to three the number of major space surveillance and tracking assignments entrusted to Bendix. The other two were built and are operated and maintained by Bendix. They are NASA's Minitrack network of satellite-tracking stations, and the SPASUR system which detects "dark," or non-transmitting, satellites for the U.S. Naval Research Laboratory. Thus, Bendix has literally become "America's chief detective" keeping a watchful eye on outer space.

In other space activities, Bendix® "Reaction Jets" helped put Discoverer series capsules in orbit, steered them, and helped to recover them. Bendix also developed a Free Reaction Sphere—which is a new automatic pilot concept for interplanetary flight.

In helping establish a new era in global communications using orbiting satellites as radio relay stations, Bendix is developing highly reliable receivers and transmitters using its "selective redundancy" principle.

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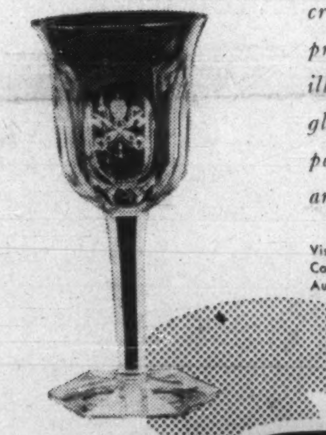

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How 'Bad Risk' Insurance Will Work for Motorists

All licensed drivers in Canada, irrespective of their accident records, will now be able to obtain car insurance under the assigned risk plan as a result of an expansion of its eligibility section.

This means that hundreds, perhaps several thousands, of drivers across Canada will be able to get behind the wheel again. They were the insurance risks that previously wouldn't be covered by anyone.

Consequently, since most provincial highway traffic laws provide that a driver loses his right to drive if he is involved in an accident, and can't prove evidence of financial responsibility, they couldn't get a license to drive.

Now the All Canada Insurance Federation, representing the insurance industry, is prepared to provide insurance to all persons able to secure a license.

These "bad risk" cases will have to pay a surcharge on the standard insurance premium. The plans' governing committees, drawn from the federation's member companies, will decide on the extra charges — "but they won't be exorbitant," says the federation.

The federation would like provinces to establish boards of review to which extremely bad risks could be referred with a recommendation that they not be permitted access to the plans.

Under this arrangement, if a board rejected the recommendation the applicant would be entitled to obtain insurance subject to certain surcharges and other conditions stipulated by the governing committee.

The federation has a big stake in the proper functioning of assigned risk plans.

All its members — automobile liability insurance companies — represented in each province are members of the provincial plans. They are assigned applications in accordance with the percentage of premiums which each company annually derives from public liability and property damage insurance in the province.

Thus, if company "X" derives 8% of the total business, it receives eight of every 100 "risky" applicants.

Insurance companies say they maintain the assigned risk plan out of funds separate and apart from their normal business.

North Coldstream Operating Profit Increased by 48%

Operating profit of **North Coldstream Mines** rose 48%, to $248,140, in latest quarter from $171,305 in three months to Mar. 31/61.

President W. S. Row says improvement was due to higher price for copper. Milling operations were "about normal" during the second quarter, he adds.

Net loss in six months to June 30/61 is $250,179. Company resumed production on March 1/60.

Diamond drilling programs on the 1,250-ft. and 1,400-ft. levels are near completion, Row says. Drilling in progress will outline ore between the 1,100-ft. and 1,250-ft. levels and explore below the 1,250-ft. level. No ore is indicated at the 1,400-ft. level so far, he said.

Company plans an "extensive development program" west of the producing section of the mine.

URANIUM OUTPUT

Value of 2,544 tons of Canadian uranium oxide shipped in second quarter 1961 was $53.6 million, compared to deliveries of 2,530 tons valued at $54.5 million in corresponding 1960 period.

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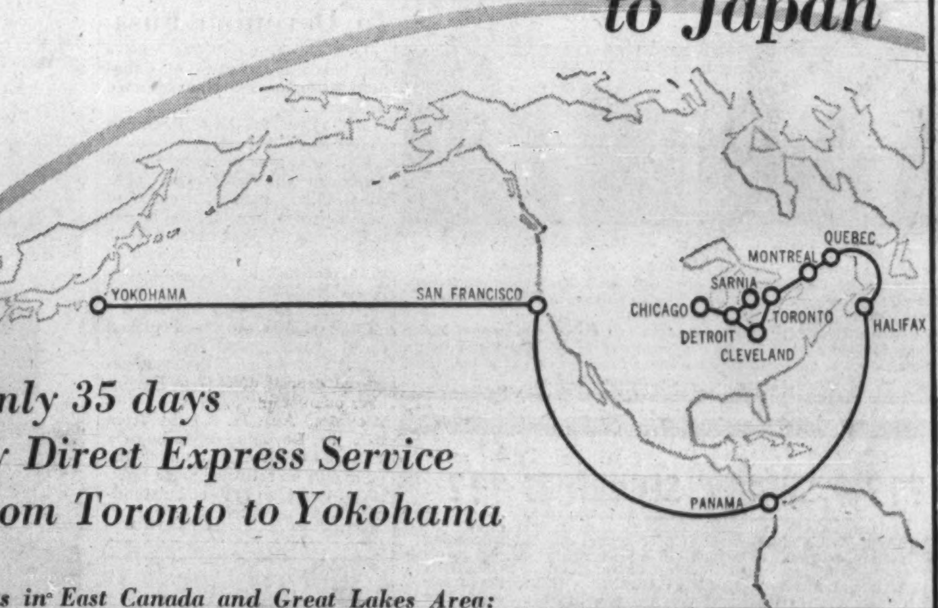

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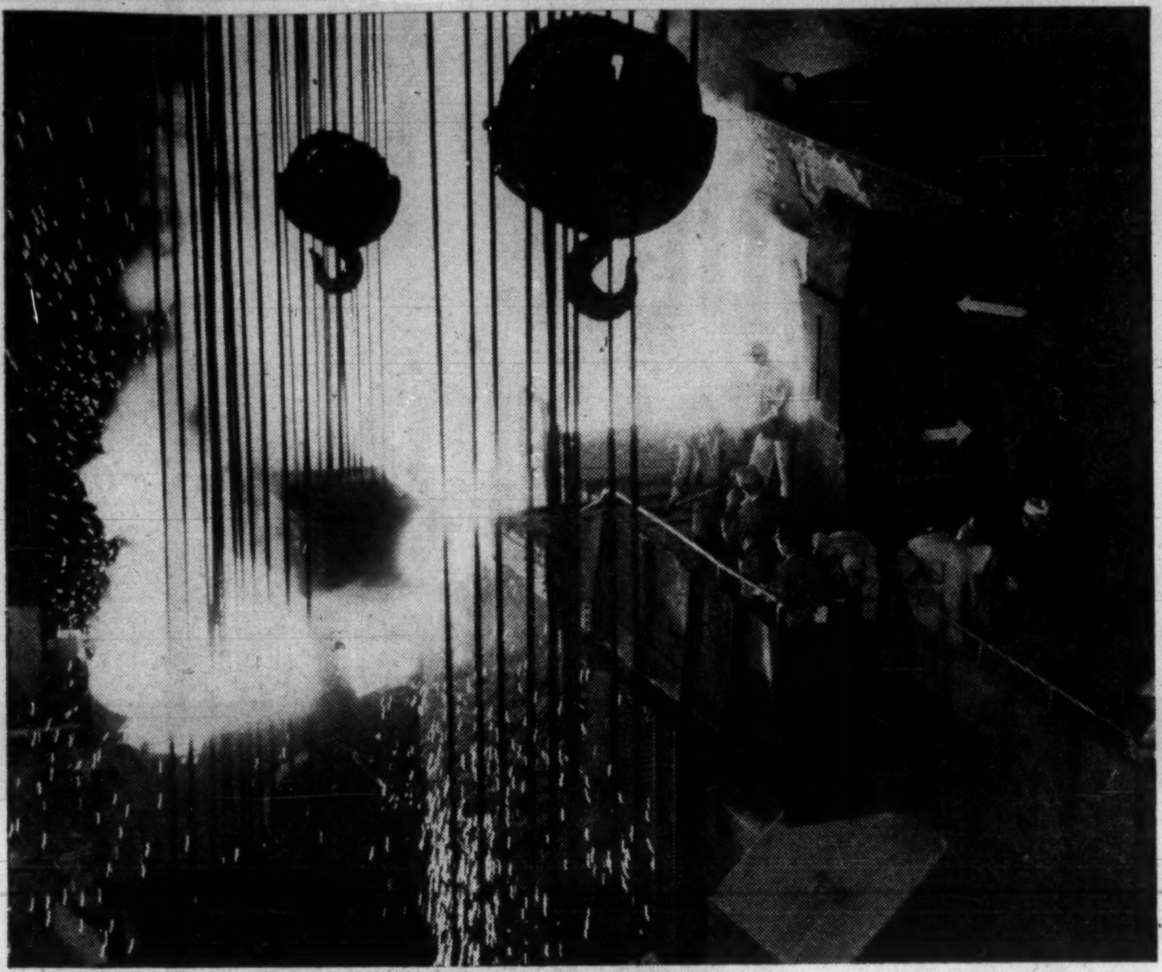
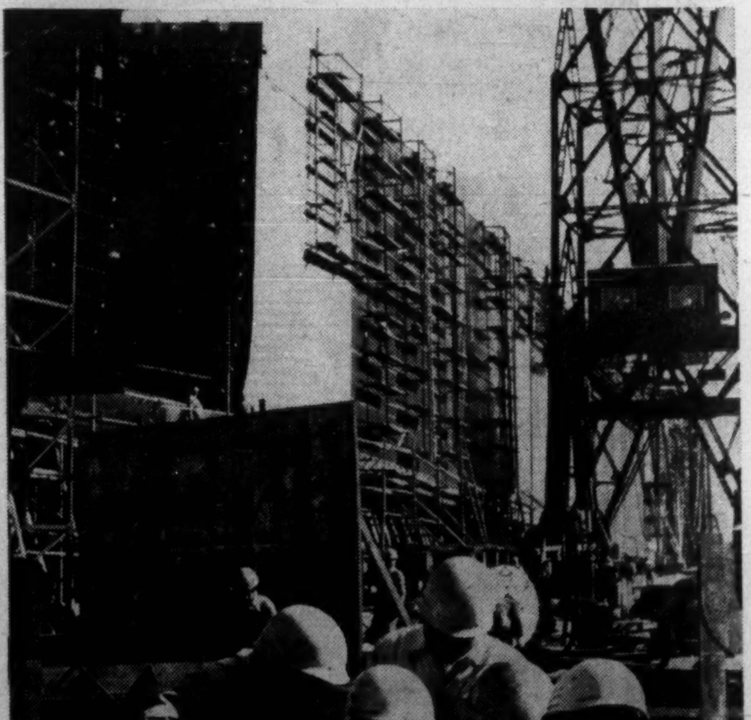


JAPAN

a feature report

Between nations as in any business, partnership can provide problems, even when business is booming. Canada's trading partnership with Japan set a record last year. Canada's sales were $178 million to Japan. Purchases were $110 million from Japan. In this special report, FP discusses the problems of the partnership and reports on the boom in Japan from which still further increases in trade can be expected.



PROSPERITY THROUGH CANADA-JAPAN COOPERATION

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Consulate of Japan
180 University Avenue,
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Consulate of Japan
Room 1401, Standard Building,
510 West Hastings St., Vancouver

Consulate of Japan
Room 301, Tribune Building,
Winnipeg 1, Manitoba

Our Trade With Japan is at Highest Level Yet

But Black Cloud of Quotas Overhangs Business Boom

To gather material for this special Report, C. Knowlton Nash, Canadian newspaperman and Washington correspondent for The Financial Post, visited Japan recently and interviewed business and government leaders.

Canada and Japan are enjoying a trade partnership of record exports and imports with the possibility of higher gains this year.

But this happy trade picture is fogged by the quota image. Both Ottawa and Tokyo are constantly seeking a solution to the problem and the talks this fall will probably bring about a compromise.

Canada and Japan have never had it so good in trade with each other.

Exports and imports boomed into record highs in 1960. They may go even higher this year.

Traders, therefore, should be dancing in the streets to the tune of their jingling cash registers. But they're not.

They are unhappy, and in Tokyo and Ottawa, government trade officials are sour. A black cloud hangs over all the zooming Canada-Japan trade.

Why?

In one word: Quotas.

In Canada, manufacturers have raised the roof, claiming heavy Japanese imports of textiles, radios, tubes and footwear are driving them out of business. In response, Ottawa has cut back Japanese shipments to Canada through "voluntary" export quotas.

But this worries many of those who sell wheat and other grains, iron ore, copper and aluminum to Japan. The cutback, they fear, might lead to retaliation by the Japanese.

In Tokyo, manufacturers have raised the roof, claiming Canada is unfairly restricting Japanese imports. In response, Tokyo officials have been getting decidedly hot under the collar.

They think Canada has become the toughest country in the world to deal with on these trade problems. In private conversation they hurl angry words. Even in public, their anger occasionally spills out as witness the restrained but strong feelings expressed recently by the Japanese Ambassador to Canada.

This is the problem for Canada:

The Japanese exports are concentrated in a very narrow range of items, and their sale is concentrated in the Ontario-Quebec part of the country where competing Canadian manufacturers are located.

But the Canadian exports to Japan come mainly from the West. Thus the Canadian West does big business in selling to Japan and pays out relatively little for it in taking Japanese imports.

The Canadian East, on the other hand, gets little profit in selling to Japan, but pays for most of it through buying the Japanese imports.

How to reconcile these two sides is the problem with which Ottawa constantly must wrestle.

Trade officials of both Japan and Canada hope they can soon bury the hatchet on their acrimonious problem, but their expectations are not too great.

Last year, we sold $178 million to the Japanese. About one half of it was wheat.

Other big items are: iron ore, for which we have a very fast-rising market; flaxseed, aluminum, scrap iron and steel, copper, rapeseed, asbestos and plastics and synthetic rubber.

Canada's raw materials are needed by Japan for that country's tremendous economic expansion. One Canadian trade argument is that we sell to Japan the raw materials she must have to keep going, while we buy from Japan products that compete with our own manufacturers.

In other words, Ottawa says: "You have to buy from us, but we don't have to buy from you."

To this the Japanese say "no." They say each country simply sells what its economy can best produce.

Last year, we bought from Japan $110 million but with exports of $178 million, we sold far more to Japan than we purchased. And we also increased our sales far more than did the Japanese.

Even so, however, Canada is close to buying more from Japan per capita than any other country in the world.

And since 1954, Japan's exports to Canada have gone up by five times. Our exports to Japan have only doubled.

The Japanese are beginning to shift some of their exports to Canada.

Textiles, while still the number one item, will have an increasingly smaller proportion of the total in the future.

Canada will be taking more steel products, for instance, and heavy machinery. In 1959, for example, we took $100,000 worth of concrete reinforcing bars. Last year, we bought nearly seven times that. This year, we'll probably buy even more.

One solution for the Canada-Japan trade problem would be a broadening of the Japanese exports to Canada. Ottawa has repeatedly suggested this and the Tokyo officials agree it would ease the problem in sensitive areas.

But this takes time. And it also takes effort to convince both manufacturers in Japan and importers in Canada to change their trade pattern of concentration on a few lines which has been so profitable in the past.

Ottawa also has been urging the Japanese to do much more market research in the Canadian market.

But despite our currently strained trade relations with Japan, the Tokyo authorities recognize that Canada is one of the best markets they have and that, in the international sphere, Canada has been just about the best friend Japan has had.

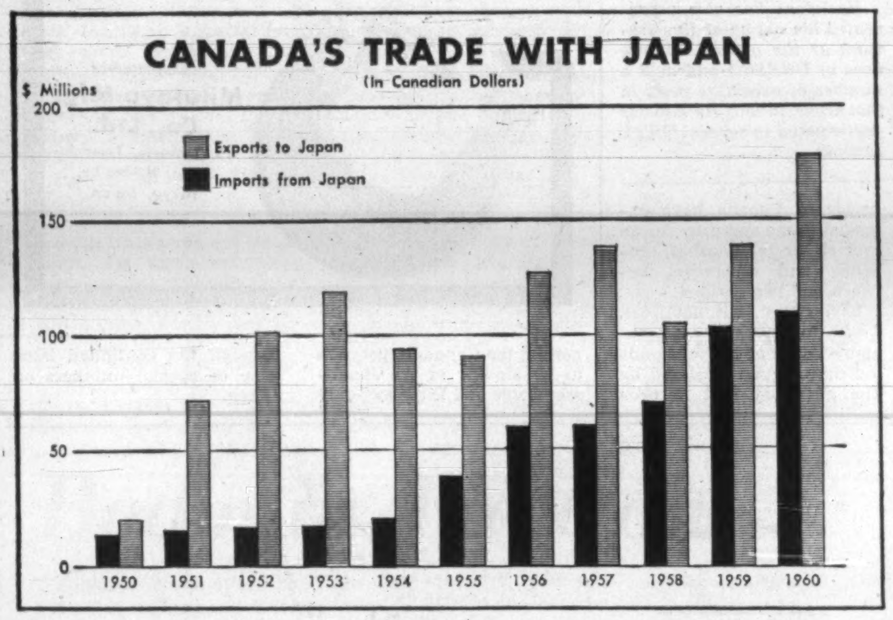
We were instrumental in getting fairer GATT treatment for the Japanese and along with the Americans are trying to pry open the European markets for Japan. In the latter instance, however, Japanese officials have grounds to suspect we may be trying to divert their exports from Canada to Europe.

One thing the Japanese don't like about dealing with Canada is that they say there is not enough opportunity for public airing of both sides in the trade argument.

In the U. S., they say, there are many more public hearings in the Tariff Commisssion, and other bodies, than there are in Canada.

The Japanese also claim they are "taking the rap" for heavy imports coming in from Hong Kong and even from the U. S. where similar products are involved.

But despite the charges and counter-charges, the trade goes up and up. This year, Canadian exports probably will hit the $200 million mark, and Japan will remain our third best customer, after the U. S. and the U. K.



What We Sell . . . . And Buy from Japan

(Leading items by tariff classification)

What We Sell	1960 ($ millions)	1959 ($ millions)
Wheat	82.1	69.2
Flax seed	9.4	8.8
Iron ore	9.4	5.1
Asbestos	8.5	6.7
Aluminum, primary	6.4	4.3
Scrap iron, steel	5.3	4.6
Copper fine in ore	4.9	3.2
Rape seed	4.9	3.5
Plastics, synthetic rubber, n.o.p.	4.6	...
Coal	4.5	.9
Brass scrap, etc.	3.1	.9
Copper ingots	2.8	..
Ores, n.o.p.	2.2	..
Zinc spelter	2.1	..
Calculating machines	2.1	.9
Aluminum scrap	2.0	.8
Pulp, sulphite	2.0	6.8
Non metallic minerals n.o.p.	1.9	.7
Lead, pigs, refined	1.6	..
Cattle hides	1.4	.4

Source—Department of Trade and Commerce.

(Leading items by tariff classification)

And Buy from Japan	1960 ($ millions)	1959 ($ millions)
Syn. fibre clothing n.o.p.	5.5	8.6
Cotton clothing n.o.p.	3.7	3.5
Plywood, hardwood	3.5	4.0
Oil country goods, steel, n.o.p.	3.1	2.3
Colored cotton fabrics	2.8	2.6
Boots, shoes, rubber, n.o.p.	2.5	1.8
Toys, n.o.p.	2.4	2.0
Cameras, camera parts	2.4	1.9
Oranges	2.3	2.0
Silk fabrics	1.9	1.2
Sewing machines, domestic	1.8	2.1
Synthetic fibre fabrics	1.7	0.7
Cotton fabrics with cut pile	1.7	..
Tuna fish, canned	1.5	1.5
Cotton fabrics not bleached	1.3	1.5
Canton flannels	1.2	1.1
Radio, TV receiving tubes	1.2	.7
Pocket books, portfolios, etc.	1.1	.8
Optical instruments	1.1	1.1
Toys, mechanical	1.1	1.4
Canvas shoes, rubber soles	1.1	.7
Synthetic fibre gloves	1.0	.6

Business Controls Differ from Ours

Monopoly controls in Japan are enforced very differently from those in Canada.

There is far less restraint on the businessman's activities than on his colleagues' here and the U. S.

Canada's trust busters would have apoplexy if they had a close look at the way business is conducted in Japan.

It's very different from the way Canadian business must act to keep Ottawa's anti-trust people happy.

The recent price - fixing scandals in the U.S. dumbfounded many Japanese who think this sort of thing is not only acceptable for Japan but even desirable. And for the most part, the Japanese government agrees.

There are anti-monopoly laws in Japan, and the U.S. Occupation Forces did break up many of the old, vast industrial empires in Japan after the war. However, the Japanese businessman has far less restraint on his activities than do his colleagues in Canada and the U.S.

Japan, in fact, goes farther than any other major capitalist country to officially prevent too vigorous competition.

This is particularly true on exports. Prices and quality are closely watched to make sure exporters do not cut their standards or rates too much and hurt competitors.

The Japanese businessmen say they are extremely vulnerable to cut-throat competition in a totally free market and if price competition got too rough, major segments of the Japanese industry would go out of business.

This has led to charges that much of Japan's industry is of the "hot house" variety, protected both against imports and against too tough free market competition within Japan.

Japanese businessmen say the lack of dangerous domestic competition has enabled them to concentrate on design and quality rather than on price competition.

Controls are exercised either through government agencies or numerous industry associations. The controls, the businessmen say, safeguard Japan against unfair competition and help in developing new products.

As one high executive said, "The elimination of cut-throat competition from the Japanese business picture was one of the major steps toward re-establishing Japan after the war as a major exporting nation."

In addition to the sub-contracting system common in Japan, the bigger companies frequently have indirect control over large sections of smaller companies which depend for their very existence on orders and prompt payment from the "parents".

Critics of this system of minimizing competitive spirit in business say it benefits only the manufacturers, not the customers. They say it is unfair, for instance, for the government to license a manufacturer to expand production or add a new line only after his competitors have been satisfied the manufacturer will not be hurting them.

The entire Japanese business system, say critics, is designed to protect the weak, the backward and the complacent. As such, they feel it eventually will retard rather than expand business.

But co - operation rather than competition among manufacturers is the Japanese way of doing business and there seems little chance of any drastic change in the near future.

Japan's top governmental economist, Saburo Okita, for instance, firmly takes this line.

He feels Japan suffers from an excess of economic competition while some countries, like the U.K., have too little.

In Britain the government should encourage competition, he says, but in Japan it should be discouraged.

"For instance," economist Okita says, "in the medium and small industries, competition leads to goods being sold abroad at unnecessarily low prices; this itself causes trouble abroad which in turn hinders the expansion of exports.

"Competition, thus, should be muzzled, since a higher degree of economic stability can be achieved by actually raising prices."

Increase Paper Exports

Japan is gradually increasing her export of paper.

Shipments abroad, however, still account for only 3%-4% of total production.

How far exports will expand depends largely on how fast the domestic demand grows.

In Japan the newspapers, for instance, are starting to add more pages and that means more newsprint will be needed for home consumption.

Last year, Japan exported about 127,000 tons of paper. Indonesia is the biggest customer, with Thailand second and Egypt third.

A very small amount of Japanese paper is exported to the U.S.

About 90,000 men are employed by the Japanese pulp and paper industry, many of them on the heavily-wooded north island of Hokkaido.

Total pulp production last year was about 3.5 million tons and paper production was 4.5 million tons.

Japan imported about 72,000 tons last year.

Total paper production in 1960 was more than double what it was just six years before. And it hit a record high for the eighth year in a row.

This year, another record high is expected to be set by the industry.

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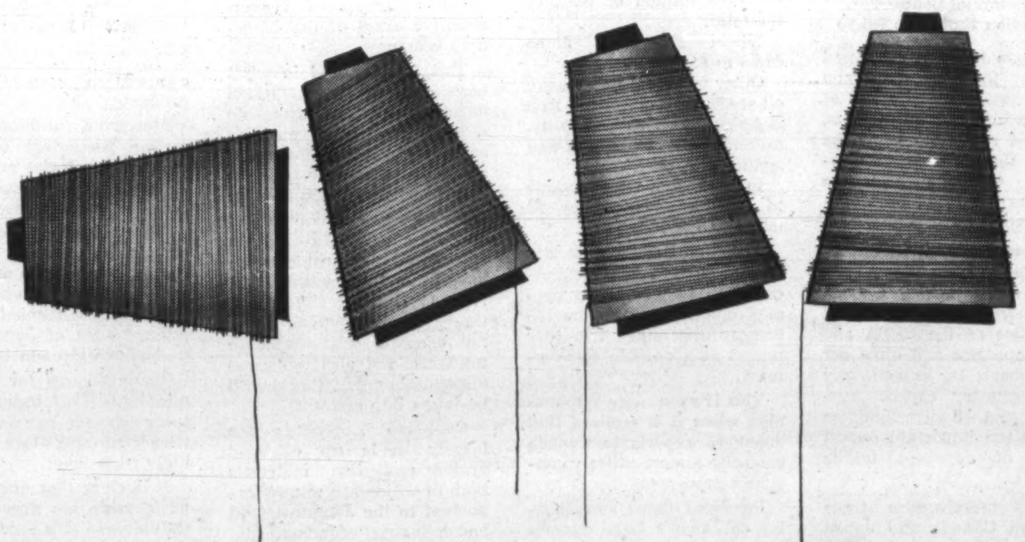
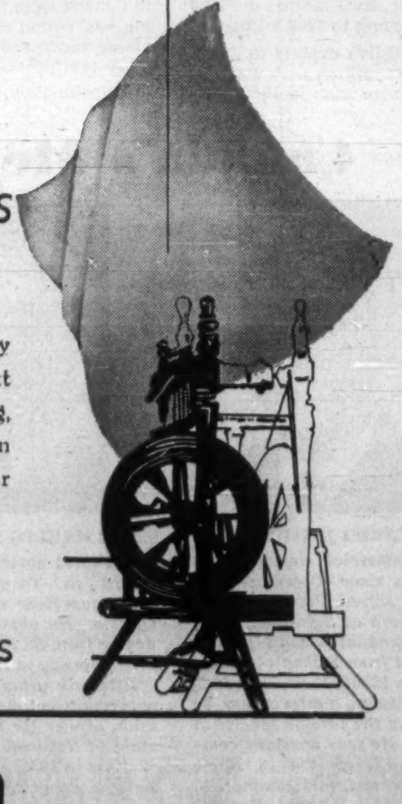
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Mutually Important Trading Partners

By W. F. BULL
Canadian Ambassador to Japan

Once again it is my pleasure to have this opportunity to extend my congratulations to The Financial Post for the preparation of the 1961 supplement on Japan.

Readers across Canada will be interested in the general economic survey that is presented in this supplement, perhaps largely because of the growing importance of Canadian - Japanese trade which was at an all-time high in 1960.

Japanese economic development continued to advance during the 1960 fiscal year, but at a less spectacular pace than was the case in 1959.

The gross national product increased by 9.5% over fiscal 1959. (Growth in 1959 — 13.6%). Mining and manufacturing output was up by 14.7% (22.6% in 1959). Private investment in plant and equipment rose 31% over the preceding fiscal year. Exports increased by $505 million (14%) and imports by $621 million (16%).

Foreign currency reserves at April 1, 1961, stood at $1,997 million, up $637 million or 47% more than a year previously. In April, reserves exceeded $2,000 million for the first time since the war.

In 1960, Canadian-Japanese trade totaled $288.4 million ($242.4 million in 1959). Canadian exports to Japan increased by 28% to $178 million, largely as a result of larger shipments of foodstuffs and industrial raw materials.

Canadian imports of Japanese goods also increased in 1960 and at $110.4 million became our fifth most important supplier.

These figures point out the mutual importance of Canada and Japan as trading partners and, furthermore, there is every indication that over-all trade in both directions will continue to expand in 1961.

Looking to the future, at the end of 1960, the Japanese government approved a 10-year economic plan aimed at doubling the national income by 1970. To achieve this objective several problems must be dealt with including the disparity of income between major and small enterprises, and between the farming and nonfarming population.

One of the keys to the realization of the economic plan is the continued expansion of exports which in 1970 are estimated to reach $9,320 million (2¼ times the 1960 level).

Greater emphasis will be placed on exports of heavy industrial and chemical goods, whereas it is anticipated that exports of light industrial goods will decline in relative importance.

Imports for 1970 are estimated at $9,890 million with substantial increases predicted for machinery and consumer goods as well as for raw materials required by Japan's iron and steel, and metal industries.

Within the framework of this 10-year economic plan, it is clear that even greater total trade between Canada and Japan may be anticipated.

W. F. BULL

A native of Weston, Ont., William Frederick Bull joined the Department of Trade and Commerce in 1929.

He was posted to New York; Port-of-Spain, Trinidad; and Auckland, New Zealand in the trade commissioner service.

Transferred to Ottawa in 1941 as assistant chief, Export Permit Branch, Bull then went to Washington in 1943 as commercial attache.

He returned to Ottawa in 1945 as director of the Export Division and chief of the Export Permit Branch. In 1947 he became director of the Import Allotment Division of the Emergency Import Control Branch.

Two years later he was appointed director, Commodities Branch, and in 1950, assistant deputy minister in charge of the Commodities and Controls Divisions. He was promoted to deputy minister a year later.

Two-Way Trade Will Increase

By TORU HAGIWARA
Ambassador to Canada

On the eve of departure from Canada upon termination of my tour of duty, it is a great pleasure for me to be able to greet again another issue of Special Report on Japan by the distinguished Financial Post.

The Financial Post, which rightly claims to be Canada's foremost business newspaper, has, in recent years, undertaken, on more than one occasion, the publication of special numbers on Canada-Japan trade relations.

This fact is highly significant: it reflects the growing interest of Canadian business circles in the rapidly expanding trade with Japan; it testifies to the recognition of the Canadian people of the increasing importance of mutual trade to both countries. Indeed, during my stay of four years in Canada, the trade between Canada and Japan has expanded almost by leaps and bounds.

However, the balance of this expanding trade has always been in Canada's favor. The main reason is not the voluntary export controls Japan has been exercising on certain items upon Canada's request. In terms of dollar value, the extent to which the export of certain items has been controlled is not so great from an over-all standpoint, although the range of items placed under export controls has been widening.

The main reason, as I see it, is that, on the part of Japan, efforts of exporters and manufacturers to explore Canadian markets have been insufficient, leaving quite a bit to be desired. On the part of Canada, lack of knowledge of postwar industrial developments of Japan has deterred many Canadian businessmen from buying Japanese products of high quality, qualified to meet Canadian requirements.

As the Japanese Government has embarked upon an ambitious program to double the national income in 10 year's period, it is expected that Japan's imports from Canada will progressively increase. The implementation of this program calls for a maximum industrialization of the Japanese economy which necessitates importation of various raw materials from overseas.

Against this foreseeable tendency, I am optimistic that Japan's exports to Canada will also considerably increase through more vigorous efforts of our traders and the awakening of Canadian business people to the realities of Japan's rapid industrial growth today. I am hopeful that Canada will start to import not only finished products but also semi-finished ones for the double purpose of lower-price supply and of creating employment opportunities in Canada.

Considering those fast economic movements on a regional basis in Europe and elsewhere, I cannot but feel that both Canada and Japan should think twice and try to develop the trade between them to a really mutually beneficial plane.

In this regard, it is very timely that, when Mr. Hayato Ikeda, Prime Minister of Japan, visited Ottawa last June upon invitation of Prime Minister Diefenbaker, the Canadian and Japanese Governments announced in a joint communique the establishment of a Canada-Japan economic committee on a ministerial level, paralleling the U. S.-Japan Economic Committee, the establishment of which had been announced earlier in Washington when Prime Minister Ikeda ended his visit there.

Through this common medium of frank and friendly exchange of views on economic matters of mutual concern, I anticipate the government leaders of both countries will achieve a meeting of minds from which common trade policies designed to benefit the respective national economies are to emerge.

It is with a deep sense of gratification that I am leaving Canada. Wherever I am in the future, I shall always bear in mind the friendship, hospitality and goodwill which the government and people of Canada have extended to me and pray for an ever closer relationship, economic and otherwise, between our two nations.

Saying last, but not least, I wish to express my deepest appreciation of the outstanding contribution rendered by The Financial Post in promoting the Canadian people's understanding of the Japanese people and their economy through the continued issuance of special numbers on Japan.

TORU HAGIWARA

Ambassador extraordinary and plenipotentiary to Canada, Toru Hagiwara has been in Japan's diplomatic service since 1928.

After serving in France, China and The Netherlands, he was chief of several sections of the Ministry of Foreign Affairs from 1940 to 1946, then director of the Treaties Bureau.

Returning to Paris in 1950 as chief of the Japanese Government Overseas Agency, he was, successively, minister to France, envoy and then ambassador to Switzerland. This was followed by his appointment to Canada in 1957.

Representing Japan at two United Nations sessions, he was chairman of the second committee of the 13th general assembly in 1958.

Hagiwara has also represented his nation at five sessions of the general conference of UNESCO and held a number of executive posts in that organization. He also has participated in several GATT sessions.

We are Good Customers For Some Japanese Goods

By A. P. BISSONNET
Commercial Counsellor,
Canadian Embassy, Tokyo

Canada today is surpassed only by the U. S., Australia and Kuwait as a supplier of Japan's import requirements, while it ranks 6th after the U. S., Hong Kong, Philippines, Australia and the U. K. as a market for Japanese exports.

In certain categories of textile exports from Japan, such as made-up goods, Canada buys more than the combined purchases of the EFTA and EEC countries and on a per capita basis far exceeds any other country except Australia and Switzerland in buying the important export group of Japanese textile products.

Total merchandise trade between Canada and Japan set a new record in 1960 amounting to $288 million.

Canadian exports to Japan at $178 million were $39 million more than in 1959. Fifteen commodities accounted for $148 million or 83% of the total.

Wheat shipments alone came to $82 million.

Other principal items were oil seeds, iron ore, scrap iron and steel, copper concentrate, asbestos, coal, aluminum and synthetic rubber.

In 1960, Japan's shipments to Canada advanced by $8 million to $110 million.

Although this increase was limited to 8%, the 46% increase in 1959 certainly permits one to look at the increase over the two-year period as a notable achievement.

This is even more remarkable when it is realized that Japanese exports to Canada comprise almost entirely consumer goods.

Principal items contributing to Japan's large exports to Canada were radio receiving sets, cotton clothing, plywood, boots and shoes, and other textile items.

Unfortunately, Japanese exports to Canada have caused some disruption in certain sensitive areas of the Canadian economy.

This has resulted in what have become annual quota negotiations when responsible officials from both countries consult and agreement is reached on measures designed to prevent such disturbances during each current year.

Although Canada enjoys a substantial favorable balance in its trade with Japan, it must be appreciated that Canadian exports to Japan do not compete with Japanese products, and also the great disparity in population should be taken into account.

Canadian shipments are largely made up of food grains and raw materials both of which are vitally important to the Japanese food and industrial economy.

On the other hand Japanese exports to Canada comprising finished products mostly in the consumer goods category are often in direct competition with Canadian products.

Moreover, undoubtedly a certain percentage of Canadian raw material exports to Japan return to Canada in the form of finished products.

Despite a world shortage of copper concentrate, Canada has been willing to make this raw material available to Japan and it formed an important item of Japan's imports from Canada last year.

Trade figures for the few months of 1961 indicate that trade between our two countries is running at an increasingly high level.

It is clear that our trading partnership has great potentialities and it is obviously in our best mutual interest to give careful attention to the problems associated with its growth as they arise and ensure the orderly development of the expanding market which each country offers to the other.

Canada's Men in Japan

ALFRED BISSONNET

Commercial counsellor at Tokyo since December last year, Alfred Pike Bissonnet was born at Stanstead, Que., and graduated with a B.A. degree from Bishop's University in 1936.

Following a sales career, he entered the foreign service in 1946. He was assistant commercial secretary in Rome and Athens, and commercial secretary in Karachi. Returning to Ottawa in 1954 he became a director, Transportation and Trade Services Division. He served in Stockholm as commercial secretary, then commercial counsellor, from 1956 to 1960.

CHARLES KERR

Assistant commercial secretary in Tokyo, Charles Montague Kerr was born in Ottawa. He obtained a B.A. degree from St. Francis Xavier University in 1950.

After six years as a newspaperman, he became information officer for the Department of National Health and Welfare in 1955. A year later he was appointed a foreign service officer, and in 1957 went to Rio de Janeiro as assistant commercial secretary. His appointment to Tokyo was made last year.

NORMAN BOYD

Assistant commercial secretary at Tokyo, Norman Wallace Boyd is a native of Russell, Ont.

Educated at Russell Continuation School and the University of Toronto, he graduated with the degree of B.Com. in 1954.

Entering the Department of Trade and Commerce foreign service soon after his graduation, he was posted to Berne, Switzerland, in 1955 as assistant commercial secretary. His transfer to Tokyo was effective in 1959.

$6 Billion Highways Program

Japan has launched a major road-building program.

The country's rapidly increasing car, bus and truck traffic is choking the existing highway system.

Millions of dollars are lost to companies because of time lost in highway traffic jams, poor roads and accidents.

The government, however, has begun pouring money into a super highway program that currently is taking almost 2% of the Japanese GNP.

A five year program has been started which envisages toll and non-toll highways costing almost $6,000 million over the next five years.

Not only will the better roads enable companies to make faster deliveries and speed bus traffic, it will open much of Japan to tourism by car. At present, this is difficult because of the poor roads.

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Canada Has Big Stake In Japan's Steel Growth

Steel is the cinderella of the Japanese economy.

And Canada has a vital stake in the fantastic future growth pattern of this cinderella industry.

Starting from almost nothing at war's end, the Japanese were producing 3.1 million tons by 1949. This was doubled in two years. In six years it was tripled. In eight years, quadrupled.

Last year Japanese production reached 24.5 million tons, for a 33% increase over 1959. This year, the output will zoom again.

The official production target for 1970 is 48 million tons. Steel industry officials, however, feel they can reach this figure far ahead of time and perhaps as early as 1965.

While steel industries in many other industrialized countries have been growing fast, too, there is special reason to be more impressed with the Japanese growth.

It has no military props on which to rest as does the industry in most other industrialized countries.

Canada is only now beginning to benefit from this Japanese steel industry growth from an export standpoint. Fat deals are being made to get Canadian iron ore to feed the steel mills of Japan. Last year we sent $9.4 million in iron ore and $5.3 million in scrap. In addition, a lot of Alberta coal is being brought across the Pacific to keep the fires going. It was worth $4.4 million last year.

By next year, these raw material purchases in Canada will begin to pour money into Canada at a much faster rate.

By that time, the B.C. iron ore mines will begin operating full blast to meet the Japanese needs.

The Japanese steel industry is heavily dependent on raw material imports. About 90% of the coal needed is imported and 70% of the iron ore.

Canada shipped some coal to Japan in the post war years but only recently has it become significant.

In 1960, for instance, about 560,000 tons of Alberta coal, (most of it coking coal) went to Japan. Our coal, however, is only competitive because of the freight rate subsidy provided by Ottawa. If that went, so would most of our coal export business with Japan.

For the first time last year, Canadian iron ore exports to Japan hit one million metric tons. They will keep going up for the foreseeable future, although we'll never get a dominant position in the market.

There are two reasons: shipping costs are high from British Columbia where the ore is obtained and it's uneconomic to get any iron ore from Labrador; and the Japanese have an aversion to putting all their source-of-supply eggs in one basket. But our share is fast rising, from 87,000 metric tons in 1951 to well over one million tons today.

In prewar years, most of the iron ore and coal for the Japanese steel mills came from Manchuria and China. Some business will go back to these areas over the next few years, but Japan is not likely to become dependent on this source.

They'll spread their raw materials buying into these areas plus Russia, India, Canada, U.S., Australia, Korea, Peru, Chile, Brazil, Venezuela and Malaya.

The Japanese steel industry is exporting roughly 30% of its products in terms of crude steel, if you count in things like cars, ships and machines.

Last year, Canada took about 67,000 tons of steel products from Japan, but the big export market is in the U.S., Australia and India.

Almost 90% of Japan's steel is produced by "The Big Six", huge integrated companies.

The industry employs close to 300,000 workers and their pay is roughly one and a half times as high as the average pay of workers in manufacturing industries in Japan.

To reach the targets of the coming years, the Japanese industry must expand, including 30 new blast furnaces needed within the next few years. The cost of this expansion is estimated at $8,300 million.

Ore Orders Boost BC Economy

British Columbia has a huge stake in developing trade with Japan.

The booming Japanese economy already is beginning to put more zip into the B.C. economy.

Japanese orders for raw materials are keeping the west coast ports busy, and the demand for B.C.-produced iron ore and copper has become big business.

Look at these recent deals:

The **Granby Mining Co.** has made a deal to sell $18 million worth of iron ore concentrates, coming from the Queen Charlotte Islands area;

Noranda Mines will sell more than $43 million in iron ore to Japan over the next seven years;

$19 million worth of copper produced on north Vancouver Island will be shipped to Japan by a company controlled by **Consolidated Mining & Smelting;**

$58 million worth of copper mined in B.C.'s inland Highland Valley will be sent to Japan by **Bethlehem Copper Corp.;**

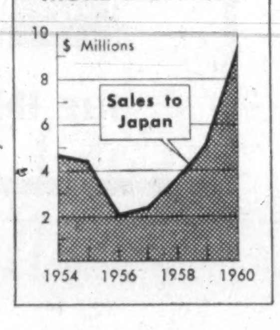
Craigmont Mines' $19 million copper mining project in B.C. may soon be selling copper to Japan.

Altogether, deals worth upwards of $220 million in copper, iron ore and coal have been signed by the Japanese with companies operating in B.C.

The big shipments will start in 1962, although some already is going out. At one point there was a possibility that the B.C. government would try to impose an export tax on iron ore shipments.

It was felt this might preserve the B.C. iron ore for a future steel industry in the province. This possibility, however, now appears to have dropped from sight.

MORE IRON ORE



Boom in Electronics

Japan's electronics industry is making a terrific impact on world markets. Take Canada for example. In 1956 we took nothing from Japan in electronics. Last year we imported $1,226,354 worth.

One of the biggest items Japan exports are transistor radios. And in the near future Canadians can expect to see transistor TV sets on sale.

The most explosive boom in industrial Japan is occurring in the electronics industry.

These figures tell the tale: In 1956, the industry produced products worth $270 million; four years later, in 1960, production was valued at $1,200 million.

And look what's happened in Canada with imports of these products: in 1956, we took nothing from Japan in electronics. The next year, $639 worth. In 1958, $66,640. In 1959, $678,317. And last year, $1,226,354 in Japanese electronics goods.

With this kind of an export increase rate in sales to Canada, it's no wonder the Japanese electronics industry has set the world on its ear for exports to other countries show the same rapid rise.

And in Japan itself, domestic sales of electronic equipment are booming. Walk along the streets of Tokyo and almost every other young person is carrying a pocket transistor radio.

More than half of the homes in Japan today have a television set, an electric washer, an electric cooking pot and an electric fan.

The spread of electric refrigerators, vacuum cleaners and even room coolers is nothing short of spectacular.

Production of household electrical appliances in Japan this year will increase 20% over last year to a value of about $500 million.

Three and three quarter million television sets will be produced in 1961; 13.6 million radio sets and 1.3 million refrigerators.

One thing that worries businessmen in the electronics industry, however, is the fact that about 70% of their production is in electronic appliances and equipment for public use. So far, electronic products for industrial use are a trifle in the total.

Changes are coming, however. In fact, Japan's electrical machinery industry is now at the height of an unprecedented boom. Fat orders are booked far in advance for heavy machinery.

Production of heavy electrical machinery this year is expected to be 16% up on last year. The plants are operating at 100% of capacity and they figure this year on making higher profits than ever before.

Orders are flowing in because of large scale power development projects, demand from the steel industry and other industries, the growing need for small apparatus such as standard motors, instruments and switches.

The telecommunications equipment producers have a profitable future ahead with an expected major expansion in telephone usage.

There are about five telephones for every 100 persons in Japan today (compared with 30 for every 100 Canadians), but by 1972, the ratio will rise to 10.5 per 100 persons.

Japanese television set makers, impressed with the sales made in exports of transistor radios, especially to Canada and the U.S., are thinking of trying a similar success story for transistor tv sets.

A few trial shipments have been made into the U.S. and have met considerable success. The price is around $125 each, about $60 under competitive U.S.-made sets.

Electronics industry officials say the future also is highly rosy for increasing production and sales of electron tubes, semi-conductors, circuit components, wireless equipment, electronic applied equipment, electronic computers, and industrial measuring instruments.

Hi-fi is another area where the Japanese are looking for good profits in exports. With high quality sets and prices well under U.S. and European-made equipment, the Japanese feel they can slice into the export market in a big way.

It's the same story with tape recorders. Transistorized tape recorders, for instance, are zooming in export value, from about $6,500 in 1953 to nearly $10 million in 1960.

They Worry About ECM

Japan is worried about the European Common Market.

Like Canada, she stands to lose a lot. Also like Canada, in the long run, Japan may gain a lot.

Japanese exports to West Germany and the Benelux countries may be hurt by the Common Market. Exports to these countries have been rising fast in recent years, moving beyond the $150 million a year mark. And Japanese firms have been counting heavily on further expansion of exports to these nations.

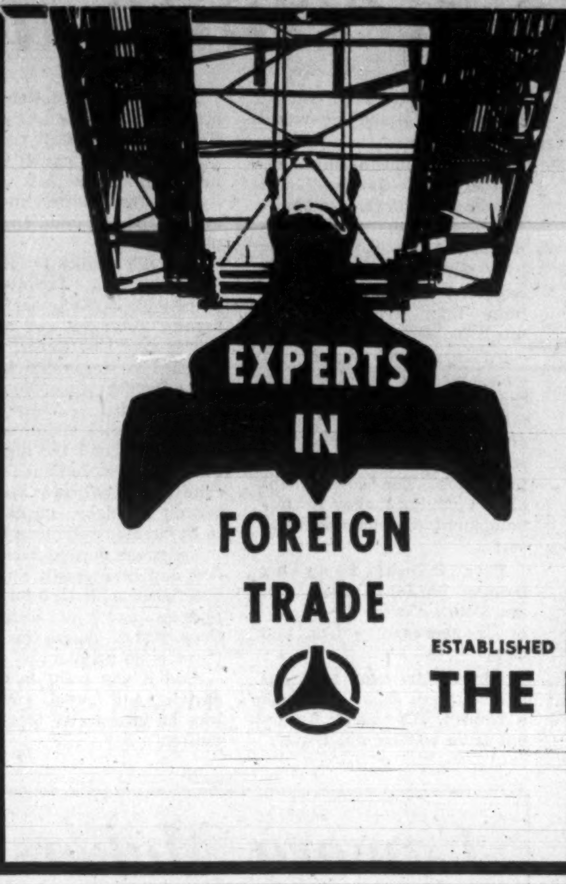
Now, however, they may be hit by higher tariffs; and thus squeezed out in some cases. The increased tariffs on items going to West Germany and the Benelux countries would not be made up by the lower tariffs in Italy and France, trade officials say.

To all of Europe, Japan's exports ran around the $500 million mark last year with imports being $50 million under that figure. Of all Japanese exports 12% go to Europe, and 10% of her imports come from there.

The British buy more than 25% of the Japanese exports to Europe and a London move to join the Common Market might further complicate Japan's trade problems.

To offset the upsetting results of the Common Market, Japanese business firms are conducting new market surveys and trying to develop new products exclusively for the European area.

In addition, the government is being urged to grant trade concessions to Common Market countries so that entrance to that market will be eased by reciprocating concessions.



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Farmers Encouraged to Work in Industry

Too many farmers.

That, in a nutshell, is one of Japan's major economic headaches. Japan has plenty of company in this problem, however.

Canada has it, the U.S. does and so does the U.K.

Unlike most political leaders, however, the Japanese Prime Minister had the courage to say that within 10 years, about 60% of those now farming would be working in factories and what's more, the Prime Minister felt this was a good thing.

The Japanese government has begun a program of retraining farmers and helping them to leave the farm for the factory.

They are leaving right now at a rate of 300,000 to 400,000 every year. This rate is expected to drastically increase in the years ahead.

Urging farmers to leave their traditional occupation, however, is political dynamite.

The conservative government of Japan gets much of its support from the farmers and hence is wary of losing those votes.

The Socialists, looking enviously at the big farm vote, have accused the government of forcing farmers off the land.

The dynamic, expanding Japanese economy, however, will have to take men and women from the farm and put them into factories, for the farm will be the main source of labor in the growing industrialization.

The country does not need as many farmers as it now has to harvest the crops it is capable of producing.

Mechanization and fertilizer have combined to shoot up farm production tremendously. Rice production in Japan today is more than is needed now and equal to the needs of 1970.

One major problem for the Japanese farmer is that his land is so tiny compared with farmers in Canada or elsewhere.

Economists feel the size of farms must be expanded to take full advantage of farm machinery and new agricultural techniques. This, in turn, means fewer farmers.

This is happening anyway, but many want the government to accelerate the drift from the farm to the city.

The government is moving in this direction, for instance, by planning to create medium size industrial cities in key areas to absorb the surplus farmers.

In addition, Tokyo wants to sway its farmers away from grains production and into dairying, meat and horticulture.

This, however, takes time and considerable money through the necessary financial inducements of price support programs.

Today there are 16.5 million farmers in Japan, each one having an average of about two acres. Even without added government incentive to leave the farm, the agriculture population has been falling sharply as the Japanese economy booms.

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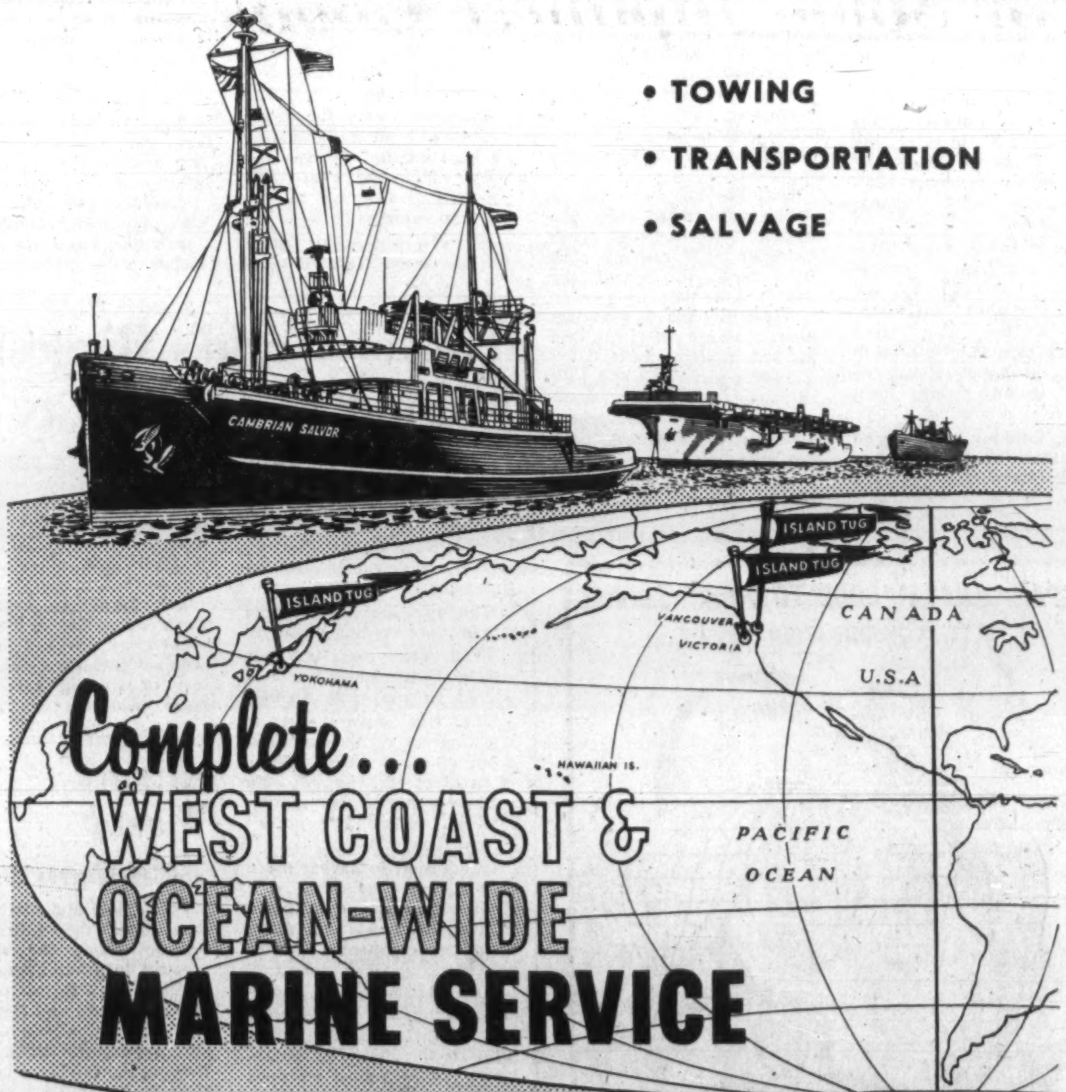

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Tourism Has Become a $120 Million Business

More Canadians Discover Japan

About 5,000 Canadians went to Japan last year and more are going this year.

However, we're not the only ones "discovering" Japan. Last year, 212,000 foreign visitors spent nearly $120 million.

Here is a fast guide to a different kind of holiday.

Canadians fall in love with Japan as soon as they arrive.

Statistics prove this. About 5,000 Canadians went to Japan last year and more are going this year.

But of all the visitors to Japan of all nationalities, Canadians stay there longer than anybody else.

The average is a month to a month and a half.

Most Canadians arrive by Canadian Pacific Airlines in Tokyo, although a good number still go by ship, usually on leisurely round-the-world cruises.

But we're not the only ones "discovering" Japan. Last year 212,000 foreign visitors came, spending nearly $120 million.

In the next 10 years, it's expected they'll be spending more than five times this much money.

To attract the tourists, the government is spending more than $1 million a year, maintaining overseas information offices, including one in Toronto, and on general tourist promotion. The government also is loaning money for development of hotels and resorts.

The favorite touring months in Japan are April and October when the weather is generally warm and clear.

For the traveler who has seen Europe, Japan is almost a "must". It's totally different from continental travel.

The Kabuki and Noh theatre, the Shinto and Buddhist Shrines, Mount Fuji and the Fuji Lakes, the garish Ginza in Tokyo and the soft serenity of the countryside all make Japan an ideal vacation place.

And if you like to experiment in food, Japan's the place with its Kobe beef, Sukiyaki, Tempura and Sushi.

The raw fish (Sushi) must be tried at least once. If you are adventuresome, you can try the fried eel. And also at least once, a visitor to Japan must spend the night in a Ryokan, a Japanese-style country inn, eating and sleeping on the floor and catered to by a shyly solicitous maid.

Language is a problem for few Japanese speak English, but with a handful of phrases, a lot of gesticulations and a desire for fun, there is no problem.

And if you want to really enrich your travel, you can hire an interpreter for a few dollars a day.

One of the greatest delights of touring in Japan is the "no tipping" rule. In hotels, restaurants, taxi cabs and resorts, you simply do not tip. In many instances, it's even considered impolite to do it.

The hotels and restaurants add on a 10% service charge and that's all. They do this in Europe too, but just try to get away without adding a healthy tip on top of this there.

And shopping! The Ginza is one of the world's greatest bargain centres.

Pearls, cameras, binoculars, woodblock prints and silks are yours for the asking.

Prices are one half to one third the price at home. And it's easy to arrange for shipping, too, so you don't have to lug around your purchases.

Among the "musts" in Japan, aside from Mount Fuji, the Ginza and the Imperial Palace, the tourist must view that incredible Japanese wrestling sport of "Sumo" where 300-400 pounders tangle with amazing strength.

And night life in Tokyo is something not to be missed.

It rivals Paris in everything from prices to nudity.

Getting to Japan is easy for Canadians. A four-month visa is simple to get from the Japanese Embassy in Ottawa or its consulates and today's air travel brings the once impossibly far Far East within range of both pocketbook and limited holiday time. Canadian Pacific Airlines jets now whiz over to Tokyo in less time than it used to take to fly to Paris.

After downing monstrous gourmet meals of lobster, chicken or filet mignon while flying over the Pacific and catching 40 winks, you're ready to handle anything on arrival, even including the fantastic Tokyo traffic.

The air fare costs about $730 return from Vancouver, and for just a little more you can go on to Hong Kong.

Your Japanese hotel room will cost $8 to $10 for a comfortable, first class double room. Meals run about $1.50 for breakfast; $2.00 for lunch and $4.00 for dinner.

IT'S THE ANCIENT in Japan that most tourists look for. These girls, attired in traditional coiffures, kimonos and black enameled geta, are walking down the stone steps of an old shrine following a New Year's Day ceremony.

Japanese Are Spending More Time on Leisure

A "leisure boom" has hit Japan.

With wages going up and working hours going down, the Japanese are finding for the first time that they have money to spend and time to spend it.

This has meant more television sets (Japan ranks third in the world in tv sets today). It means increasing automobile sales; more holidays; more theatre - going; more sports.

Only in the booming postwar era has "leisure" become a luxury enjoyed by the masses as well as the wealthy.

Before the war, most workers took only one week or less in holidays and the stores usually were open seven days a week.

Now, working hours are no more than 48 hrs. a week and holidays run to two weeks.

Flying clubs are springing up over the countryside, and the younger generation has taken to skiing as a major sport in the winter. There are more than three million skiers in Japan today.

Motorcycling, baseball, tennis, sports racing, boating, swimming, skin-diving and water-skiing all attract the young Japanese in increasing numbers.

Golf has become a fad in Japan with more than one million followers and more than 200 golf courses have been built throughout the nation in the past three years.

Night life, too, is booming. Sales of liquor are rising, and at last reports there were 123,000 night clubs and bars in Japan.

According to government statistics, the Japanese today are spending about 10% of their money on leisure and recreation.

Camera Makers Stress Quality

The Japanese are rivalling the Germans as the world's foremost shutterbugs.

The businessman, the teacher, the factory hand or the secretary all pack along at least one camera on their outings, and many can be seen with two and sometimes three slung around their neck.

But the cream of the profits for Japanese camera-makers lies in exports.

Last year, Canadians bought $1.8 million worth of Japanese cameras. We'll buy more this year.

Exports took only 20% of the Japanese camera production seven years ago, but today, the rate is close to 50%. About 40% of all exports go to North America, mostly the U.S.

The Japanese camera industry employs about 35,000 workers. Most of them work in plants around Tokyo, Nagoya and Osaka.

In recent years, the Japanese have been concentrating on high quality cameras and today claim many of their products are equal to the German cameras.

But the big selling point the Japanese have is that their prices are lower on a broad range of models.

New models keep rolling out of the Japanese factories. This year there has been a particular run on miniature cameras which fit into a shirt pocket, on eight millimetre cameras, and on the sensation of the year, a low-priced Canonet with a fully automatic electronic eye.

With about a $55 price tag, the camera features a photoelectric cell built around the lens barrel that automatically operates the F-stops.

Japanese movie cameras have become favorites with foreigners with exports last year zooming up two and a half times the rate for 1959.

This year between half a million to one million movie cameras will be exported.

Canadians have been increasing their purchase of Japanese - made cameras about as fast as anybody else in the world.

In 1954, we bought a mere $30,000 worth. Compare this with the more than $2 million worth we are buying in 1961.

Canadian purchases of the eight millimetre cameras of Japan also has been phenomenal in the last three years.

Tokyo: World's Biggest, Noisiest, Crowded City

Tokyo is the biggest city in the world.

Nine million persons are jammed into the city and there are not enough houses, streets and sewer and sanitation facilities for them.

The city has the world's worst overcrowding problem.

In a few years, it'll get worse. Ten million are expected in the next decade.

The city government is working on a 10 year program to solve the problems. It involves moving into the suburban areas and establishing "satellite cities" around Tokyo.

In addition to having more people than any other city in the world, Tokyo has more bars and cabarets and more drinking companion "hostesses".

New cabarets, however, keep going up, along with new hotels and new buildings. As the local city population keeps rising, so does the influx of tourists, adding to the already confused city streets.

But despite the bigness of Tokyo and the modern new buildings going up, there is a dingy side to the city.

There are plenty of slums, muddy streets and dilapidated buildings along with the garish modernism of Tokyo.

One major drawback, incredible in Western eyes but apparently acceptable for the Japanese, is the fact that there are hardly any street names in Tokyo.

There are names for various regions in the city, but outside of a few named downtown streets such as the Ginza, there are no street names. This makes finding a friend's home a major adventure.

To combat the problem, most foreigners tack up arrows and signs on lampposts in their area indicating the way to their houses.

Arriving several hours late for a Tokyo dinner party is viewed as not out of the ordinary because of the problem of finding the host's home.

Attract World Attention

The Tokyo and Osaka International Trade Fairs have become among the world's greatest business attractions.

The annual fairs alternate between Tokyo and Osaka.

This year was Tokyo's turn and during the three-week fair last April-May a record-shattering $59.4 million worth of formal contracts was signed.

This is 1.39 times greater than the volume of business done at the previous Tokyo fair and 1.2 times what was done last year in Osaka.

Of the total transactions, $24.7 million was in export business; $9.2 million for imports; and $25.5 million was in domestic sales.

North American buyers did most of the export business.

There was, however, a substantial rise in business done with buyers from Europe and Africa.

About 2.5 million businessmen attended the fair, including 7,500 foreign buyers from 84 countries.

Altogether, 28 countries participated in the fair.

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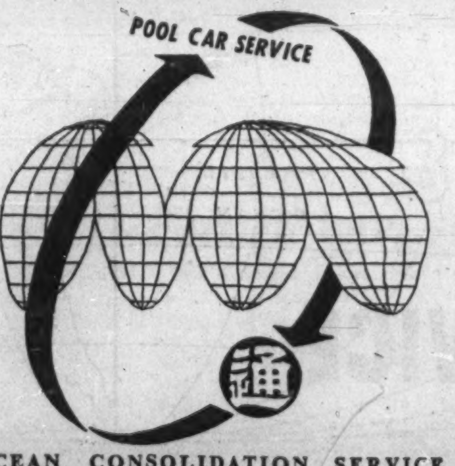

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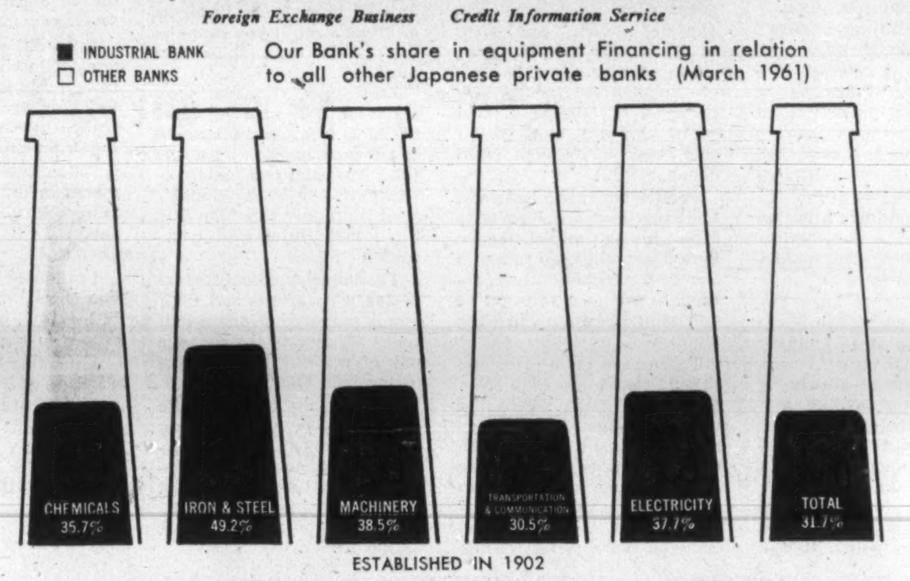

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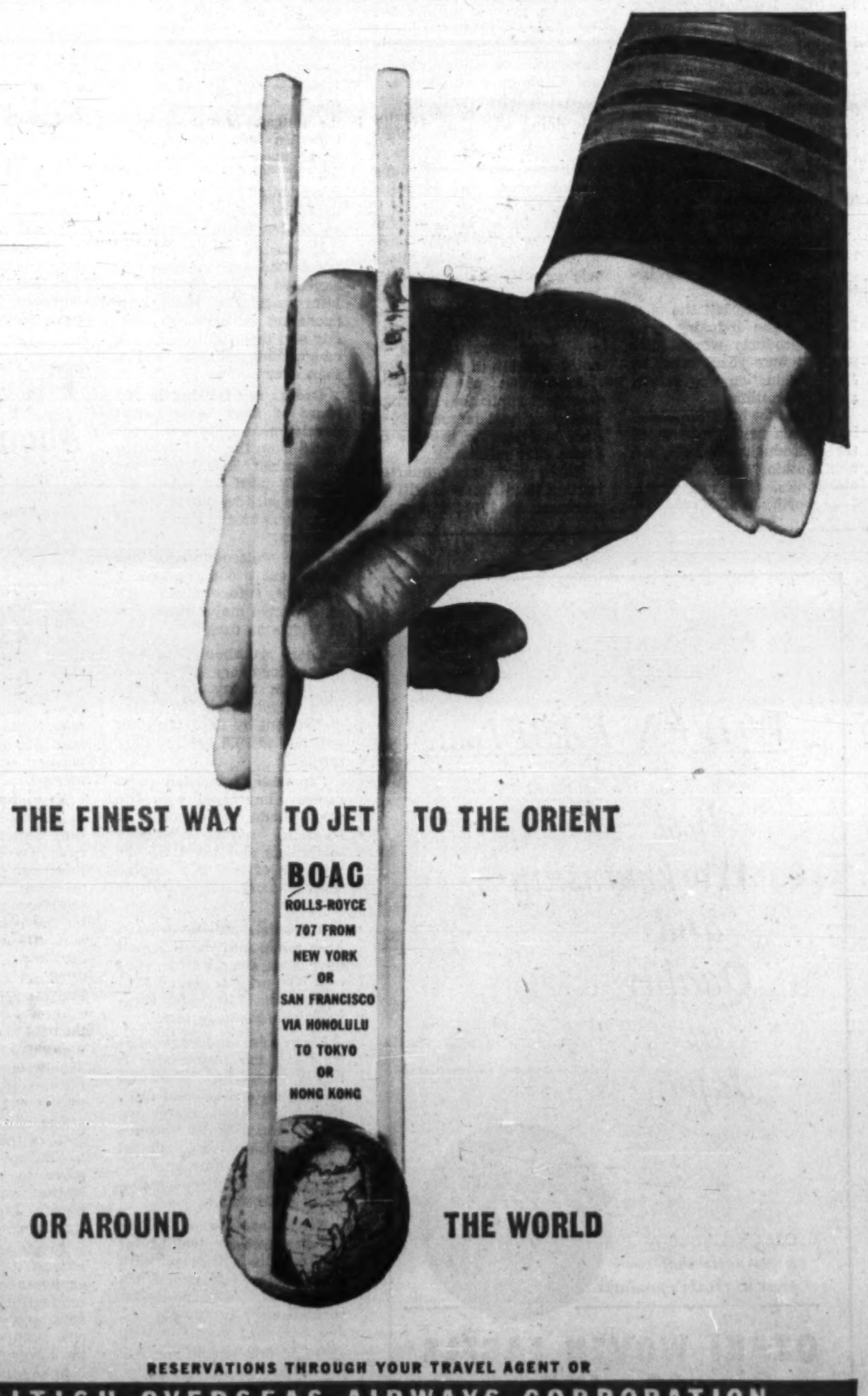

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We'll Have to Work Hard to Keep This Market

U.S. Biggest Threat To Hard Wheat Sales

Russia and the U. S. are trying to get a slice of Canada's $82 million wheat market in Japan.

Japan has been buying 95% of their hard wheat from Canada but a high protein wheat from Kansas is moving in.

The Japanese are also trying out a Russian semi-hard wheat. Here's what is happening.

Covetous eyes are being cast at Canada's fat wheat market in Japan.

It's our biggest export, bringing us $82 million last year from Japan.

But the Russians, the Americans and even the Australians are trying to slice into our market.

Some Russian semi-hard wheat is being tried out now by the Japanese. The Australians are getting some of the business that formerly went to our No. 5 wheat, largely because we have not been able to provide enough of this quality wheat lately.

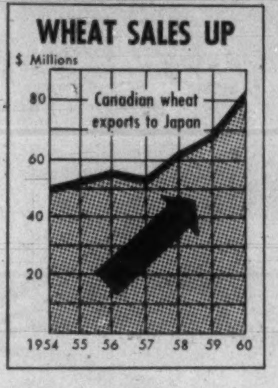
But the biggest threat comes from Kansas. Some high protein wheat from that area is moving into Japan, and the U.S. is hoping that with this they can grab off a bigger share of the Japanese hard wheat market.

In the past, the Japanese have been buying about 95% of their hard wheat from Canada.

The wheat needs of Japan will be rising with the general economy over the next decade, but the rise will be slow compared with other parts of the economy.

In fact, per capita consumption of wheat likely will fall, although the increasing population should more than cover this drop.

Most of our wheat goes into Japanese bread, into macaroni and some into noodles of various types.



Until recently, Canada has had the Japanese hard wheat market largely alone. Most of the U.S. wheat that came in commercially or under the U.S. Public Law 480 surplus disposal law, was semi-hard wheat.

This, along with the Australian soft wheat was used largely for cake or noodles. Our Canadian hard wheat was mixed in the noodles to provide higher quality.

There has been a steady increase in Japanese purchases of Canadian wheat as the Japanese turned from eating rice to eating bread. This change is continuing.

Canada has been also selling a considerable amount of feed wheat to Japan.

There may be a significant increase in feed wheat imports because the government is encouraging development of a major livestock industry.

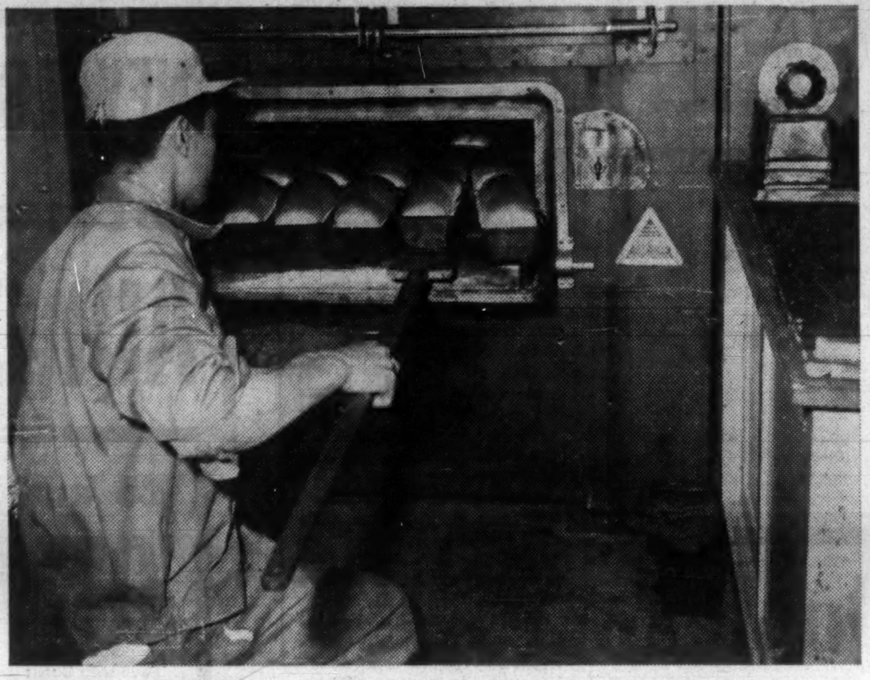
The government announces twice a year how much money it has to spend on wheat purchases and thus the imports are under strict control. Purchases are made by the Food Agency in the Ministry of Agriculture.

The agency currently is paying around $1.70 bu. and it, in turn, sells it to various importers at a mark-up ranging as high as 35% above the price Canada was paid.

The extra money collected by the government is used to help subsidize domestic production of rice, wheat and barley.

Canada used to sell considerable barley to Japan, especially when rice was in relatively short supply. Now, however, Japanese farmers have produced a surplus of barley and hence imports are not needed.

Canadian shipments of flaxseed and rapeseed have been increasing lately, as have exports of a special kind of wheat flour. Canadian hides and skins are another main farm export to Japan.



CANADIAN WHEAT goes into bread in a Japanese bakery. Our wheat exports to that country in 1960 reached a new high of $82 million, nearly half of Japan's purchases from Canada.

1960 Fish Catch Record High

Japanese fishermen hauled in six million tons of fish last year.

This was higher than ever before and prices were up, too, by 18% over the previous year.

For the last five years, Japanese fishermen have been bringing home a bigger catch every year by about 6.6% a year.

While mackerel and tuna catches were off in 1960, the yields of halibut and sole in the North Pacific were nearly doubled.

Fish remains a stable in the Japanese diet, although more meat is being eaten today.

Experts figure that as the economy improves, Japanese will tend to move away from a fish and rice diet to a meat and vegetables fare.

So far, however, the fishermen have no trouble selling their catches.

Relax Import Controls

With a nervous eye on the cash register, the Japanese are gingerly letting in more imports that compete with home-made products.

By 1963, 80% of all imports will be "liberalized". This means they will be free of blank wall government restrictions, although they still will have to climb over tariffs in most instances.

In fact, on some of the more sensitive items, the government is raising tariffs which, to some degree, offset the value of the "liberalization."

A total of 231 items for import from the dollar area used to be subject to controls. In 1959, more than half of these were freed. More went on the "liberalized" list in 1960 and still more this year. The biggest item this year was imports of raw cotton.

So far as Canada is concerned, our exports have increased only moderately as a result of the "liberalization" thus far, with one main boost being in Canadian shipments of rapeseed.

Most of the items put on the "liberalized" list are those in which the government feels Japanese industry can best compete against imports.

Exporters in Canada and other nations have long complained that while the Japanese have demanded free access to markets overseas, they have been running a highly protectionist market at home.

Sensitive to this criticism, and aware that this argument has weakened Japan's case in pleading for freer world trade, the Japanese began to dismantle some of their protection.

They have been doing it relatively slowly, however, and always retaining power to inhibit some imports if they should prove too tough competition for the "hot house bred" domestic industries.

Among the items "liberalized" in the past year are: scrap iron and steel; lard and beef tallow; raw hides; pig iron; soy beans; lard; cocoa; butter; zinc ore; fur products; raw cotton; raw wool; poultry; Western fruits, excluding citrus fruits, bananas and pineapples; sheet glass.

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Kamakura — Ancient capital

Enoshima — Magnificent marine views.

KANAGAWA PREFECTURAL GOVERNMENT

Trade With Red China A Trap Politically

China is Japan's traditional trading partner. Under normal conditions she would be doing about 10% of her trade with China, but she is doing less than 1%.

The reason is political.

However, recent Canadian wheat deals with China and the fact that Washington didn't have a diplomatic fit, have given businessmen and government officials considerable hope for launching their own China trade expansion program.

The most tantalizing "forbidden fruit" for Japanese businessmen today is trade with China.

In theory, economists say Japan should be doing about 10% of her trade with China. In practice, it is not even 1%.

But there China lies so close to Japan with its vast potential market, plus a tradition of doing business with Japan. The problem, of course, is political and ideological.

The Japanese government has been hesitant to sanction any vast increase in trade with China for fear of upsetting the U.S.

Canada's big wheat deals with China, however, impressed the Japanese and the fact that Washington did not have diplomatic dyspepsia gave Japanese businessmen and government officials considerable hope for launching their own China trade expansion program.

Another problem, however, is the attitude of Peking itself. In a huff a couple of years ago over a political incident in Japan, Peking stopped almost all trade. Only this year has trade been picking up again as the Chinese let loose their ban.

China - Japan trade this year may, as a result, hit the $30 million - $40 million mark. Next year, it may be much higher.

The Chinese are selling to Japan coking coal for the steel mills, pig iron, rosin, agricultural products, tinware, industrial salt and mining products.

The Japanese have been selling to China such things as rayon yarn, electrodes and steel materials.

The Japanese businessmen, however, also figure China will be good for sales of much more rayon yarn, steel plate, special steel, various types of medium size machinery and perhaps some shipping.

The $30 million-$40 million anticipated in trade for this year, however, remains a drop in the bucket. A few economists in Tokyo figure if the trade were "normalized", it might run as high as $800 million a year.

Such "normalization", however, is a long way off, according to most government officials and businessmen. One key government advisor, however, has suggested this could come within the next ten or twenty years.

Despite the high interest in Japan in more trade with China, it has been Peking that has made the recent moves to soften its "no trade" position and move toward Tokyo.

Japan's steel industry is particularly interested in the availability of coal from China, but it had its fingers burned in a deal two and a half years ago and now is wary of committing itself too deeply.

Right now China is doing business with about 50 different Japanese firms which have been labelled "friendly to China". There also are three businessmen's organizations that promote China-Japan trade.

And while the ruling conservatives in the government may be interested but hesitant about plunging into a vast trade arrangement with China, the Socialists in opposition are all out for it.

The dangerous mixture of business and politics is a major worry for the Japanese.

The government is not happy about Peking financing of some of the left-wing groups in Japan, nor is it anxious to endanger the lusty $126 million-a-year trade that Japan currently has with Formosa.

It would be quite a while before trade with China could make up the loss of this trade.

The Japanese government also is worried that China might try to exploit her trade with Japan to wean her away from the anti - communist camp.

A complaint voiced by many of those who have had business dealings with Peking is that the Chinese insist on interspersing their business talk with attacks on Formosa and the U.N.

Foreign Interest in Plane

The Japanese aircraft industry is stirring.

Cause of the stir is the "YS-11," a passenger transport now undergoing tests which will be ready for production next year.

Until now, almost all Japanese production has been of U.S.-type planes under license.

The domestic industry, for instance, currently is working on a fat order for the Japanese military of F-104 jet fighters, a U.S. aircraft that Canada also is producing.

But the "YS-11" would be strictly Japanese. It's a turbo - prop, 60 - passenger plane which needs about 40% less runway space than such planes as the DC-3 or the Viscount 744.

Although not a single order has yet been placed for the plane by the Japanese government which has been backing its development, plenty of foreign buyers have shown heavy interest.

The **Japan Aircraft Manufacturing Co.**, producers of the plane, have received queries from airlines in West Germany, Britain, Indonesia and 10 other foreign companies.

The "YS-11", with its short take-off potential, could be widely used in many parts of Southeast Asia, South America and Northern Europe where many runways are small.

Thus, the hopes of the Japanese industry for the future are, at the moment, pinned on this new plane.

Altogether the industry employs about 18,500 workers. About $140 million worth of planes (mostly light aircraft) were built between 1952 and 1960.

But the industry really will get rolling into higher gear with the production of the F-104's now underway and if the "YS-11" potential is realized.

AD SPENDING

Japanese companies are spending about $500 million a year to advertise their wares. That's the rate for 1960, according to the Dentsu advertising agency in Tokyo. It reports nearly 40% of this money goes into newspaper advertising. Television takes 22% of the advertising money.

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YAWATA STEEL

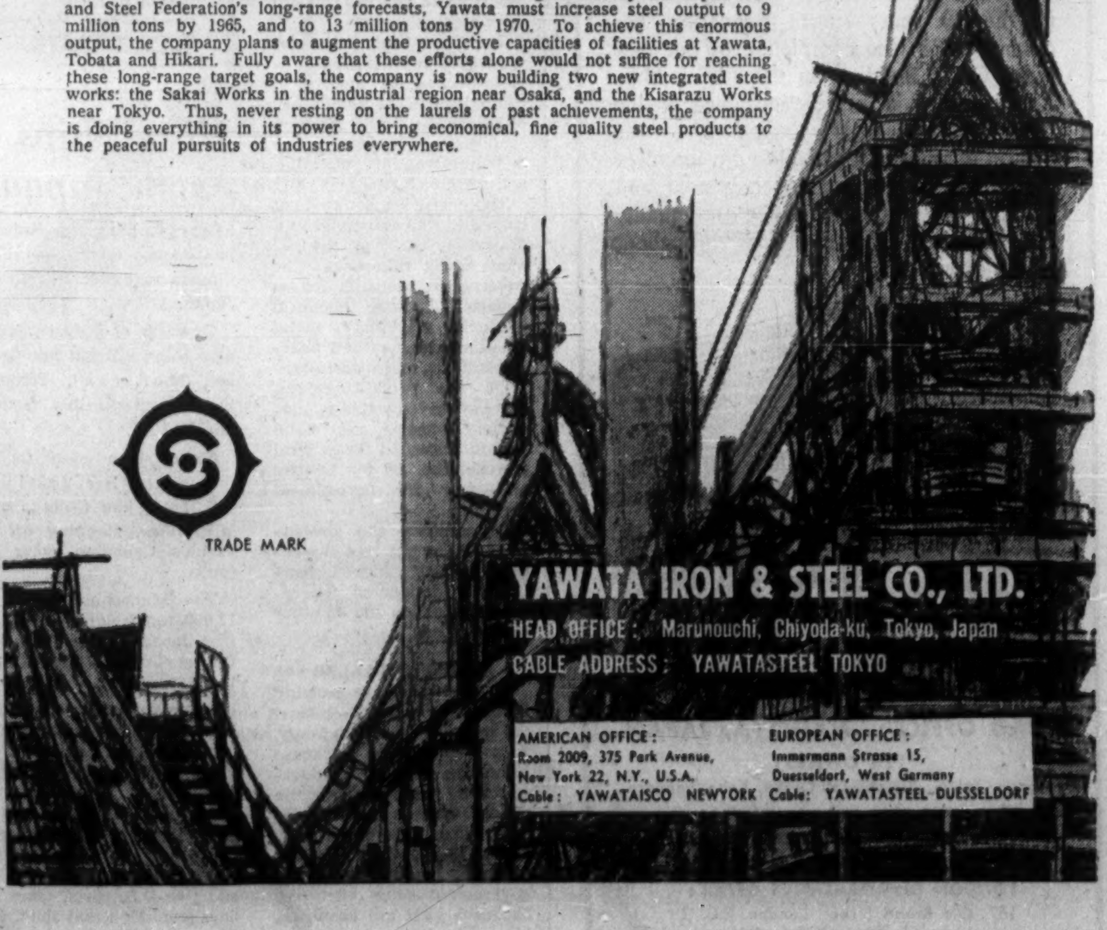
Looks to the Future . . .

A nation's economy, it often has been observed, is as vigorous as its steel producing capacity. Japan's prosperity, achieved in a comparatively short fifteen-year period since the end of the war, is related directly to the truly astonishing growth of the nation's steel industry.

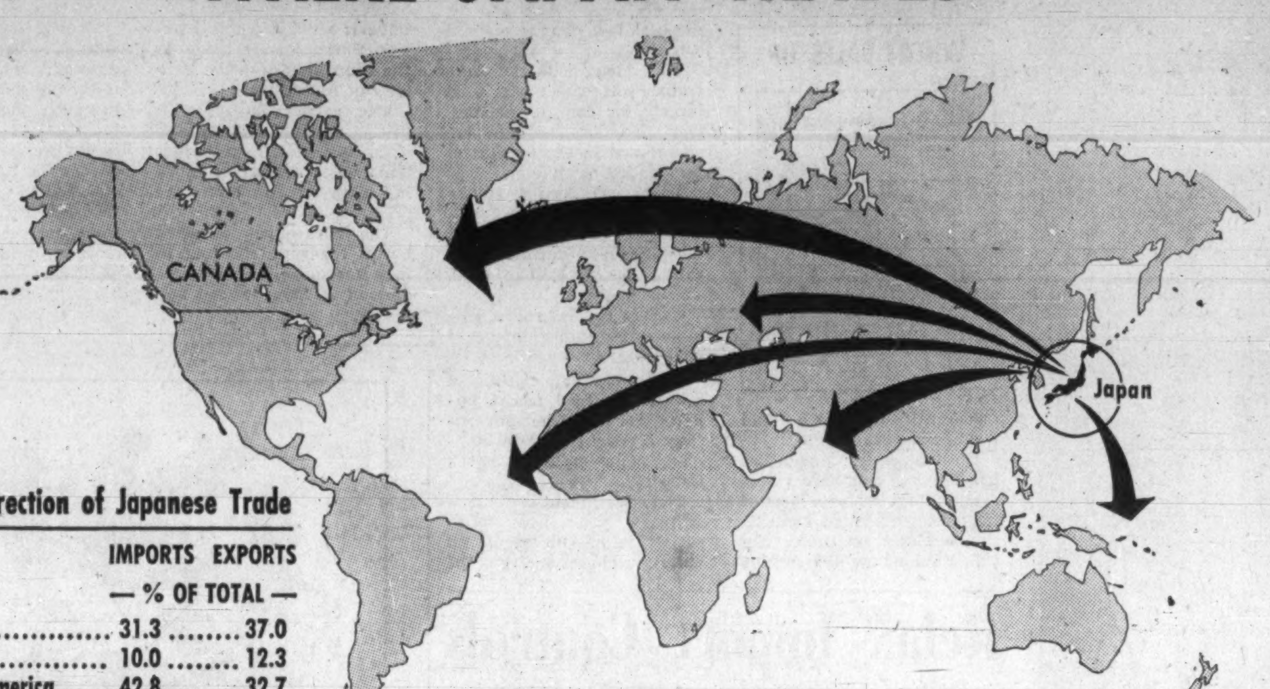
The nation's prosperity, however, is not a temporary phenomenon; Japan's economy has been transformed structurally from a wartime or rehabilitating economy into a confident, powerful economic system dedicated to peaceful pursuits. Fully aware that these fine achievements do not call for complacency, the Government promulgated a plan for doubling national income by 1970. Yawata Iron & Steel Co., Ltd., the nation's largest steel producer, pledges to exert every effort toward achieving the aims set by the Government.

In the meanwhile Japan's steel industry, and Yawata, in particular, are exerting every effort through various expansion and modernization programs to meet the continuously rising demand for steel at home and abroad. Simultaneous with these efforts are stepped-up imports of raw materials such as iron ore and coal, of which Canada is potentially a large supplier. In fiscal year 1960, nearly 1,050,000 tons of iron ore and 410,000 tons of coking coal were imported by Japan from Canada; Yawata absorbed large portions of these totals. Canada, too, is a large prospective purchaser of Japanese steel products; in the same year, about 67,000 tons of steel plates and other products, partly produced by Yawata, were exported to Canadian industries. This friendly interchange between Canada and Japan is deeply appreciated by the nation, as a whole, and by Yawata, in particular.

In spite of these splendid achievements in markets at home and abroad, much work remains to be done. For example, to meet the goals set by the Japan Iron and Steel Federation's long-range forecasts, Yawata must increase steel output to 9 million tons by 1965, and to 13 million tons by 1970. To achieve this enormous output, the company plans to augment the productive capacities of facilities at Yawata, Tobata and Hikari. Fully aware that these efforts alone would not suffice for reaching these long-range target goals, the company is now building two new integrated steel works: the Sakai Works in the industrial region near Osaka, and the Kisarazu Works near Tokyo. Thus, never resting on the laurels of past achievements, the company is doing everything in its power to bring economical, fine quality steel products to the peaceful pursuits of industries everywhere.



WHERE JAPAN TRADES



The Direction of Japanese Trade

	IMPORTS	EXPORTS
	— % OF TOTAL —	
Asia	31.3	37.0
Europe	10.0	12.3
North America	42.8	32.7
Canada	(4.0)	(3.0)
U. S.	(34.4)	(26.7)
South America	3.3	4.4
Africa	3.6	8.7
Australia & Oceania	9.0	4.9

Tough Bargaining Ahead on Quotas

New quota negotiations between Canada and Japan start in the fall.

Both countries are under heavy pressure from manufacturers and it looks as if the fall talks will be long and tough. Here is the background.

The negotiations for the new quotas on Japanese imports into Canada were long, hard and painful.

New negotiations will start next fall and the outlook is that they will be equally difficult.

The Japanese prefer the "voluntary" quotas, to unilaterally imposed quotas.

The way we now work it, the Japanese have a chance to try to moderate the cuts or changes being sought by Canadian authorities.

At the same time, however, they don't particularly relish the whole thing.

In fact, they feel they're negotiating with us with a gun to their heads and that Ottawa is saying, "Either accept these quotas on a voluntary basis, or else, we'll unilaterally impose these or even tougher quotas".

The Canadian officials, however, deny they take this approach. They feel the Japanese have a big sale in the Canadian market, and that considerable damage already has been done to some competing Canadian manufacturers.

While Ottawa is under heavy pressure from the Canadian manufacturers, Tokyo is under equally heavy pressure from the Japanese manufacturers. As business blasts Ottawa for allegedly letting too much Japanese material into the country, business blasts Tokyo for allegedly giving in to the Canadian government in agreeing to keep out much Japanese material.

The Japanese control their exports to Canada under the "voluntary" quota system by doing some policing by government agency and some by private business associations.

Japan first agreed to "voluntary" export controls on textiles in a 1957 deal with the United States. A similar deal followed with Canada. But now, Canada has "voluntary" quotas on many items other than textiles.

Canada, in fact, has a much broader range of such restrictions on Japanese imports than does the U.S. We include not only a wide variety of textiles, but also shoes, transistor radios, radio and tv tubes, raincoats, buttons, plywood and stainless steel flatware.

This year, Canada extended the quotas to cover 90% of the Japanese textile exports compared with 77% last year.

We allowed in more rayon and synthetic fabric garments.

We gave a quota for transistor radios and radio and tv tubes which had been under a total embargo as of last November, and we made a substantial cut in the amount of stainless steel flatware that can come in.

These negotiations took six months and it's expected the 1961 negotiations will take about half a year, too. The Japanese were reluctant about agreeing to our 1961 "voluntary" quota demands. And they made a point to state that they felt they should be able to gradually increase the size of the quotas in future years.

The Japanese have been especially unhappy about the toughening Canadian "voluntary" quotas because of an apparent misunderstanding during a trip to Japan several years ago by Finance Minister Fleming. At that time the Japanese officials thought he had promised Japan could have an increasing share of the Canadian market but as it has turned out, since then the quotas have become tougher.

The Canadian reply is that Mr. Fleming only indicated the Japanese should have a larger share of the growth in the Canadian market.

Japan's Quotas

(for entry into Canada in 1961)

	1961 quota	comparison with 1960 quota or shipments
RAYON and SYNTHETIC FABRICS		
Blouses & shirts	351,000 doz.	up 3%
Coats & slacks	237,000 doz.	about same as last year's shipments
Knitted wear	237,000 doz.	up 10%
COTTON GOODS		
Blouses & shirts	480,000 doz.	down 3%
Coats & slacks	325,000 doz.	same
Knitted wear	363,000 doz.	up 10%
Damask table cloths	1.2 million sq. yd.	up 10%
Pillow cases	180,000 doz.	same
Fabrics	25.5 million sq. yd.	same
Sheets	666,000 pieces	same
ALL TEXTILE FIBRES		
Woven elastic braid	400,000 lb.	down 20%
Woven elastic webbing	433,800 lb.	down 10%
Bedspreads	600,000 pieces	same
NEW TEXTILE QUOTAS		
Dish towels, any fibre	400,000 doz.	*
Ladies' dress gloves, any fibre	314,000 doz.	*
Synthetic ribbons of faille, lingerie-grosgrain, woven edge satin, corded ribbon, seam-binding	142,000 lb.	*
Nylon fabrics	2.6 million sq. yd.	*
OTHER PRODUCTS		
Waterproof footwear	1.9 million pairs	3.1 million pairs*
Rubber-soled canvas footwear	2.6 million pairs	2.6 million pairs*
Transistor radios	395,000 sets	581,000†
Radio & TV receiving tubes (excl. types not manufactured in Canada)	2.5 million	3.9 million†
Vinyl raincoats	520,000	*
Polyester staple buttons	1 million gross	*
Plywood	22.5 million sq. ft. (6 mo. to June 30)	53.2 million sq. ft. (in 12 mo.)
Stainless Steel flatware	624,000 doz.	1,150,000 doz.

*New quota; figures, where available, are 1960 imports.

†Complete embargo placed on these products effective Nov. 1/60; figure for radio sets includes small number of non-transistor units.

Tough Quality Controls

Special pains are taken by the Japanese to keep up the quality of their exports.

Some low-quality, cheap products do slip through the keen-eyed government and industry export watchmen, but the trend is up rather than down, because of the new effort to boost quality.

About 145 important export items are subject to export inspection by law. This inspection is carried out either by the government or by industry associations responsible to the government for watching exports.

There are three categories of inspection on exports:

- **Inspection of quality** of the product;
- **Inspection of packing** conditions;
- **Inspection of materials** and manufacturing processes.

There are six government bodies and 39 private groups designated by the government doing this work. The government keeps its eye on exports of some chemical products, machinery, metal manufactures, textiles, pharmaceuticals, and foodstuffs.

Of the private groups, there are seven watching machinery exports and metal manufactures, 13 for general merchandise, 15 for textiles and four for agricultural products.

In addition, the government caries out spot inspections at any time on commodities designated for regular inspection and on other commodities.

GROWING TALLER

The Japanese are growing taller. Right now, the rate is .39 in. taller every 10 years. A survey by the Japanese Education Ministry conducted among students shows the young Japanese are healthier today than before the war. Ten to 13-year-olds have remarkably longer legs and the government notes that the Japanese girls are acquiring bigger chest measurements.

More Ships From Japan

The St. Lawrence Seaway has opened up the heart of Canada to direct trade with Japan.

Upwards of a dozen Japanese ships will sail into Quebec, Montreal, Toronto, Sarnia and possibly farther during 1961.

Some ships plan to go through the Great Lakes into U.S. ports like Chicago and Milwaukee, stopping off at various Canadian ports en route.

The Muneshima Maru, a 12,000 ton freighter was the first Japanese ship to go the full length of the Great Lakes this year.

Japan's second year of St. Lawrence Seaway shipments began this past April with an outgoing cargo of Canadian asbestos.

The round trip from Japan, through the Panama Canal and the Seaway, with stops at four Canadian cities and five U.S. ports, takes 29 days from Montreal and Quebec and 33 days from Japan.

Japan Still No. 1 Ship Builder

Japan continues to be the biggest ship builder in the world.

Although the industry may not have quite the zip it had a few years ago, it still is moving ahead. In 1960, for the fifth year in a row, Japan took first place with the largest tonnage built.

She built 1,731,000 gross tons, far more than the British and the Germans who followed.

A little less than a third of the Japanese shipbuilding is done for foreign companies and countries. This has brought Japan about $135 million in the past year.

Last year, Japan produced 135 oil tankers, constituting more than 30% of all shipbuilding. But this business has been slowing down lately, in part because of the U. S. oil import restrictions.

To maintain its leadership, the shipbuilding industry officials in Japan feel they may have to offer more attractive deferred payment terms. Prices right now also are almost at rock bottom.

One company is building a tanker for $113 per DWT, and another firm is producing a 68,000 ton tanker for $110 per DWT, both among the lowest prices recorded in recent years.

These prices may not last, however. Shipbuilding officials feel the price will be up to $130 per DWT before 1961 is over for the super tankers at least.

These tankers also are getting larger. One firm is building two 130,000 ton deadweight oil tankers. These monsters will be ready in a year or so.

They will be so big that no port in the world will be able to load them and they will have to load oil through pipe lines from shore while anchored off shore.

They also will be too big to go through the Panama or Suez Canals. Both monster tankers are for Japanese concerns. The biggest foreign tanker built so far is a 106,400 ton tanker.

An innovation for Japanese shipyards is construction now going on for the world's first large refrigerated tanker to carry liquified petroleum gas. It will be ready in early 1962 and will have a capacity equivalent to about 17,000 tons of liquified petroleum gas.

The tanker will be used by a Japanese firm.

The Japanese are looking to growing business from communist nations, especially Rumania, Bulgaria and Russia, and more orders are expected from Turkey and Indonesia.

Survival Of the Speediest

There is no traffic in the world like Tokyo traffic.

A Canadian visitor, even one used to the more adventuresome Montreal cab driver, is bound to whistle incredulously at his own survival in taxi cabbing around Tokyo, or, for that matter, almost anywhere else in Japan.

Very correctly the taxis are nicknamed "Kamikaze Cabs".

Recently, Tokyo launched a nationwide traffic safety drive. In the first five days of the drive, 13 persons were killed in Tokyo traffic accidents.

This is a little below the daily average: 3.5 persons killed per day; 150 injured; 400 traffic mishaps.

Last year, Tokyo traffic accidents killed 1,179 persons and injured 63,660.

Tokyo is the only city in the world with more than 1,000 traffic fatalities a year.

The 1961 rate is running about 20% ahead of last year.

Throughout Japan last year, more than 12,000 persons were killed in road accidents.

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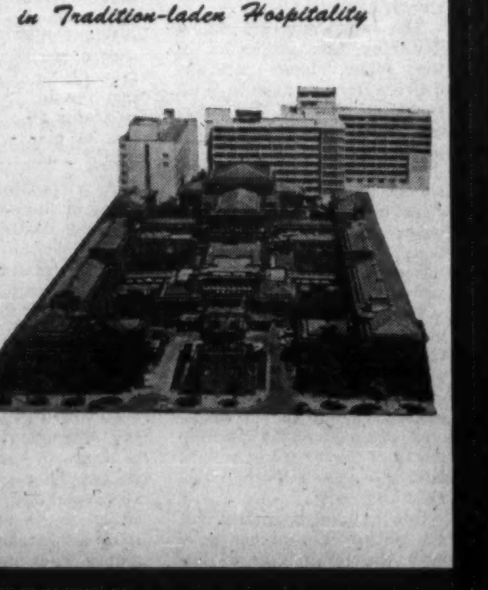

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Can Country Double Its Economy by 1970?

Japan plans to double the economy by 1970.

This would mean a GNP of around $72,000 million in terms of today's dollars. For Canada, the plan would open up tremendous export possibilities. In that target year, the Japanese plan to import close to $10,000 million worth of goods.

Also, of vital importance to Canada will be the changing character of both imports and exports.

The economic extravaganza of the decade for Japan is its new Ten Year Plan.

The objective: To double the economy by 1970.

This would mean a GNP of around $72,000 million in terms of today's dollars by 1970.

It would mean a per capita income of $580, well above today's Italian rate, but somewhat under the French and West German level.

It would mean a television set in almost every house in Japan; a refrigerator in every other house; a car for one person out of four; a washing machine for about three quarters of the households.

It would mean a steel production in 1970 of 48 million tons; one million cars produced that year: a machinery industry four and a half times as big as it is today; exports over three and a half times what they are now; and imports three and a quarter times the present.

These are big economic dreams. But the Japanese government intends to see them turn into reality. At the rate the Japanese economy currently is going, they'll make it.

The plan to double the economy by 1970 opens up tremendous export possibilities for Canada. In that target year, the Japanese expect to be exporting goods worth $9,320 million in terms of today's dollars. They plan to import close to $10,000 million.

But of vital importance to Canada will be the changing character of both imports and exports.

Japan still will need plenty of Canadian wheat, but our exports to Japan will not rise anywhere nearly so rapidly as the general trend.

In fact, on a per capita basis, the Japanese will be eating less wheat in 1970 than they are today, but the increasing population (up from 93 million to 102 million) probably will make up for the lower per capita consumption.

The Japanese, however, will be importing more corn, soybeans and sugar in 1970. Still, the over-all imports of foodstuffs by Japan will fall from 17.2% of total imports today to 8.1% of the total.

One big potential for Canada lies in our iron ore shipments to Japan. The steel industry will be Japan's most hungry industrial monster, gobbling up three times as much iron ore and coal as it takes now from all sources.

There also will be big increases in Japanese imports of machinery, consumer goods and mineral fuel imports, especially oil.

Imports of textile raw materials also will rise, but only slightly and will not keep pace with the over-all import rate of increase.

North America will remain the biggest supplier to Japan by 1970, despite a slight drop in relative importance. Europe and the Middle and Near East will increase their shipments to Japan and Southeast Asia will be sending less.

On the export side, machinery shipments will be the most powerful factor in the expansion of Japan's exports. The figuring is for nearly a six fold increase over today's shipments.

By 1970, the Japanese machinery exports will be worth $4,000 million a year. That means machinery will rise from 24.5% to 41.3% in its share of the country's over-all exports.

Textile exports will expand from about $880 million to $1,720 million by 1970 and their share of the over-all exports will fall from 32.5% to 18.5%.

There will be more exports of chemical products, metals and metal products. Heavy industrial and chemical goods will have a far greater role in the export picture.

By 1970, exports to Canada and the U. S. mainly will be composed of textiles, sundry goods, machinery and chemicals, and are expected to reach $3,140 a year.

Europe will be taking about $1,130 million a year with the emphasis on consumer durables, food and high class textile goods. It is not expected, however, there will be any major expansion in exports to Asia and Africa.

But it is anticipated that Japanese trade with communist countries will be "normalized" by 1970, and this means a major increase over present exports to those nations.

Tourists also will pour plenty of cash into Japan's treasury in 1970. By that year, Japan expects to be earning $610 million a year from tourists, about six times the present rate.

Breaking down some of the 1970 target figures, they show: mining production will be up 1.34 times; over-all farm output by 1.45; livestock production by 3.17; machinery by 4.5; chemical products by 3.4; petroleum and coal by 3.5; iron and steel by 3; rubber by 3; ceramics by 2.8: nonferrous metallic products by 2.6; paper and pulp by 2.4; textile goods by 2.1; leather by 1.8; and lumbering by 1.5.

All this industrial expansion will mean more roads, more harbors, more sewage facilities, more building, and more electric power.

Energy consumption by 1970 will reach 303 million tons in terms of coal, 2.3 times what it has been. Electricity consumption will be nearly three times what it now is.

One big problem is how to control inflation in this period. Housing costs will go up sharply. Light and fuel costs will rise by about 50%. Wages will rise. Increasing productivity is the answer, the Japanese feel, to avoid runaway inflation.

All the target figures are flexible according to government authorities, but they are convinced that over the next decade Japan's economy will be rising by an average of about 7.2% per year, enough to double the national income.

On balance, many Japanese economists feel the growth rate may be closer to 8% and thus the targets wil be more than reached by 1970.

Japan's Plan To Double Income

	1956-58 average	1970
Population	91,000,000	102,000,000
Gross National Product (millions)	$27,000	$72,000
Per capita national income	$243	$579
Private consumption expenditure (millions)	$16,100	$41,900
Mining and manufacturing output level	100.0	431.7
Output level of agriculture, forestry and fisheries	100.0	144.1
Total employees	41,540,000	48,690,000
Total energy demand (million tons in coal)	131.8	302.7
Exports (millions)	$2,701	$9,320
Imports (millions)	$3,126	$9,891

More Social Security

Social security is growing in Japan.

The country is by no means at the welfare state level, but demands are increasing for more federal aid to ease unemployment, sickness and destitution.

In the past, and even now, much of this has been done by individual companies through their own medical care programs, loans to employees and housing schemes.

There is a growing demand, however, to shift more of this burden away from private companies and over to the federal government.

There are many laws pertaining to social security in Japan.

There is the Livelihood Security Law (for needy persons), the Law for the Welfare of Disabled Persons, Child Welfare Law, Health Insurance Law, National Health Insurance Law, Unemployment Insurance Law and Welfare Pension Insurance.

The total appropriation for the government's social security program runs around $685 million or about 12% of the entire national budget.

The number insured under the social insurance systems is more than 63 million.

The government also is expanding its housing programs.

The National Housing Fund has advanced close to $100 million a year to individuals proposing to build their own homes.

The government also is helping to build more apartment buildings to ease the Japanese housing shortage.

Less Salary But More Expenses

"Expense account living" is a way of life for most big businessmen in Japan.

Executive salaries are relatively modest by North American standards.

A factory employing several thousand workers probably would pay its president in the neighborhood of $15,000 a year.

As with the workers, however, the top brass businessmen have many fringe benefits that Canadian executives don't receive.

While averaging only about $10,000 to $15,000 a year in salary, the Japanese executive averages an extra roughly $400-$500 a month in general expenses.

Some reportedly get as much as $2,500 a month for expenses.

On top of this, the executives get company - paid memberships in golf clubs and social clubs.

They get free accommodation at lush resort hideaways. Many are provided with large homes and chauffeur-driven big cars.

And like their workers, they get a fat bonus twice a year. Some even get company-provided yachts.

Fringe Benefits Help Double Worker's Pay

Compared with Canadian wages, Japanese pay is low.

But they are not as low as you think. He gets two huge bonuses a year. Lives in a company house, gets free transport to work, eats very cheaply in the company canteen and can buy his clothes at the company store at 10%-30% below regular rates.

If he's ill he gets free medical attention and almost full pay up to two years.

And like wages in Canada, wages in Japan are continually rising.

Just how low are Japanese wages?

Not as low as you'd think.

The Japanese are particularly sensitive to efforts in Canada and elsewhere to keep out their products because of low Japanese wages, and they say the complaints are not justified.

Taking all factors into consideration, Japanese pay rates in manufacturing industries run about the same as they are in Italy and some other Western European countries.

One problem, however, is that the bulk of Japan's exports to high-income markets comes from small and medium-size enterprises which have wage rates under the national average.

The Japanese themselves currently are bitterly unhappy about export competition especially in textiles, from what they consider "low wage" countries like Formosa, Hong Kong and India.

Let's look at the wage rates.

Right now, Canadian manufacturing companies are paying workers an average of $1.80-$1.85 per hour.

In Japan, manufacturing companies are paying workers an average of only about 27c an hour.

But you can't stop there in comparing wage rates. The Japanese worker gets huge bonuses and subsidies from his company.

Consider these: In addition to his regular pay, the average Japanese worker gets a bonus in July and December.

This totals roughly two months pay extra every year.

The Japanese worker lives in a house usually provided by his company and for which he pays a mere token rent of perhaps $12 a month. His trips between home and factory are paid for by the company.

He eats lunch at the plant restaurant at as low as 10c a day. He buys clothes, food and other items at the company store at 10%-30% below regular rates.

The company will give him furniture, refrigerators and television sets on a low-interest installment plan.

If the worker or his family gets ill, he is given free medical care by the company doctor and hospital.

Even if he is sick for years, the company will keep on paying almost his full salary.

The company provides mountain and seashore resorts for workers at a moderate, subsidized rate. Special bonuses are given by the company to workers on marriage, the birth of children and on deaths in the family.

On retirement, the company will give the worker a lump sum or a pension.

Most of these things are rarely done by companies in Canada and other Western industrialized nations.

If you add in the value of all these fringe benefits, that 27c an hour pay rate comes close to doubling.

It still puts the Japanese wage scale at well under one third of Canadian pay, and hence gives the Japanese manufacturers a significant competitive edge over Canadian firms.

But the edge is not nearly so wide as it would appear from a straight comparison of hourly wage rates.

And like wages in Canada, wages in Japan are continuously going up. Unions in Japan are launching this year a major campaign to boost pay.

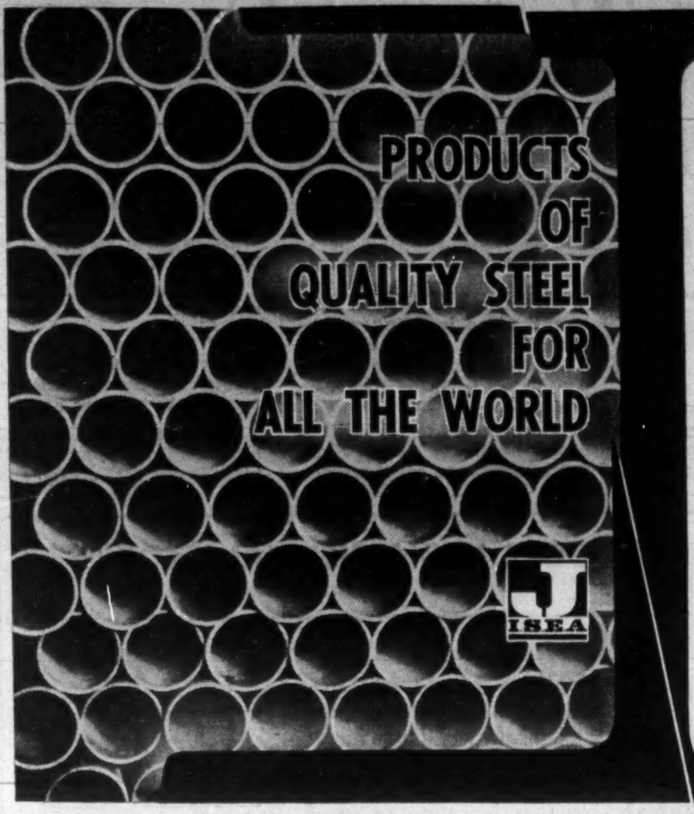
One other change that is significant in Japan in the matter of workers pay is the narrowing differences between the large-scale Japanese plants and the medium and small plants.

By Canadian standards, the workers of medium and small firms have very low pay rates. In fact, it is these pay rates which drag down the overall Japanese average.

There now is a trend among the small and medium companies to join a "team" working with a major corporation. When this happens, wages and working conditions improve.

9,000 PICTURES

A Japanese firm is making a camera that can take up to 9,000 pictures a second. It was developed for the makers of textiles, watches and electrical goods to help them watch and control more closely their products' quality.



Japan's iron and steel industry has made dramatic progress since the end of World War II until the country now ranks fifth in world production. Facilities have been entirely modernized, but research aimed at improving manufacturing techniques is never-ending. Consumer demands have caused production to rise sharply for both domestic and export markets and the role of the industry in serving the Free World annually increases in importance.

For further information please write to:

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Women Are Fighting, Winning Equal Rights

Many Japanese in the big cities have turned western.

The women wear western clothes while the men have their eyelids rounded by plastic surgery.

The youth of Japan idolize U. S. singers, music and beatniks. But at the same time they are torn between the old and new Japan. In the country, the old Japan reigns supreme.

The Japanese are Westernizing themselves.

The kimona is disappearing from the streets, the women are becoming more influential, rock and roll music is widespread and there is a growing thirst to learn English.

This trend is particularly noticeable in Tokyo, Osaka and other big cities. In the country, however, the old Japan still reigns supreme.

The Westernization even extends to plastic surgery.

You can have your eyelids rounded and deep-set for about $25. For $42 you can get a western nose renovation.

And for roughly $85, the Japanese doctors will inflate chest measurements to western standards.

A survey showed that about 30% of all the business done in Tokyo's nine plastic surgery hospitals is for men who wanted rounded eye-lids.

The western instalment plan also is arriving in Japan.

This year, a wide variety of new systems of consumer credit has been put into operation.

Banks are using a new credit card so that a customer can buy goods just as he does for cash and have it added to a bank loan system for consumers.

Although by Western standards the man remains "the boss" to an amazing degree, his absolute supremacy appears to be on the wane.

Women's organizations are fighting for female rights, and wage rates for women are getting closer to the pay received by men.

The youth of Japan, however, appears to be somewhat torn between the old Japan and the emerging Western - flavoured new Japan.

They idolize American singers and music, many wear "beatnik" haircuts and swagger about Tokyo like the "Teddy Boys" of postwar London.

And yet many others tend to ridicule anything and everything Western.

Some sociologists feel they are both attracted and repelled at the same time by the Western cultural invasion of Japan, and are unable to reconcile their feelings.

This has left many of the Japanese youth in a "searching" frame of mind.

The deeper-thinking youth finds itself attracted to the power and sense of purpose they see among the Chinese communist youth and at the same time they admire the industrial progress and freedom of the West.

Many thus tend toward a neutralism which government surveys show is rising in public support.

The same is true of religion. Many of the Japanese youth today do not accept either Shinto or Buddhist religion.

They prefer not to call themselves atheists or even agnostics, but say they are "searching" for right answers to their religious questions.

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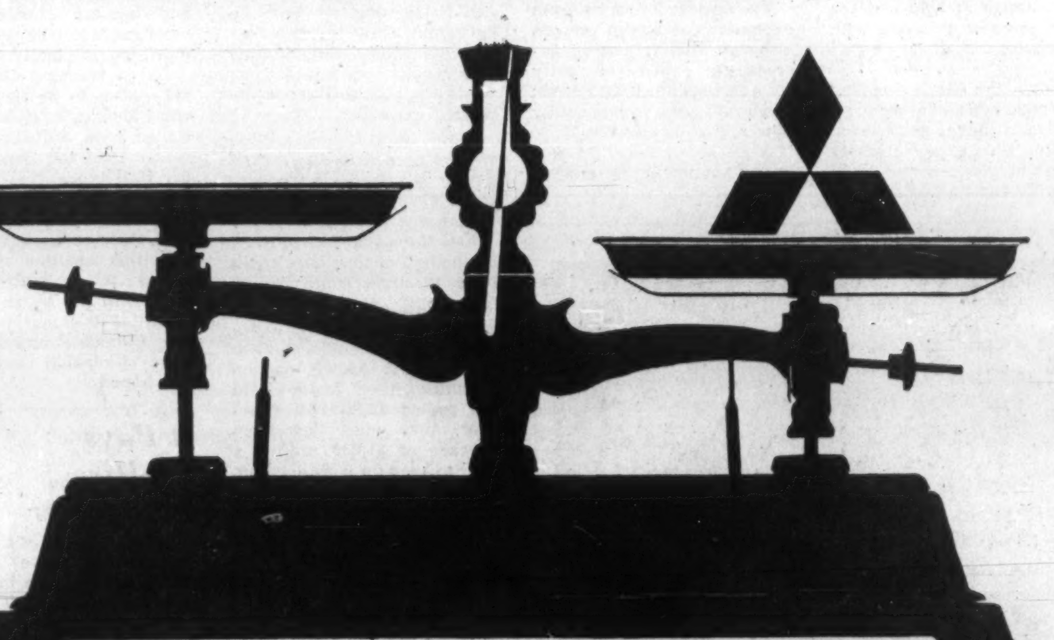

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Stocks on Tokyo Exchange are Lively, Booming

Individuals Hold Half of All Shares

Little brokerage offices sprout all over the Japanese cities as everyone gets into the stock market boom. Values have soared.

Canadians who have seen some pretty good stock market booms in the past can look with envious eyes across the Pacific to Japan.

- The current average daily trading in the Tokyo Stock Exchange is about 130 million shares. Last year, the market hit a high of 226 million shares a day in one monthly average. (Toronto has been trading about 1.5 million shares a day for some time now.)

- A decade ago, average price for 225 selected stock issues was about 41 cents a share. Today, taking into account the capital increases as in the Dow-Jones system, the original 41c a share investment is worth about $4.41 or more than 10 times. Canadian stock index is not quite double in the same period.

- The growth of the mutual funds tells an even more dramatic story.

Worth $230 million less than five years ago, Japan's 22 investment trust funds are now worth about $3,000 million — up 1,200%, with five million shareholders.

Canada's mutual funds increased 136.5% in value in five years, to $667 million, with about 175,000 shareholders at the end of March/61.

Japan's investment funds have several unique features.

They are formed and operated by stock brokerage houses, and shares in the fund are sold only by the firm which manages it.

The most popular form is a five-year investment trust, which invests a fixed original amount in common stocks and is liquidated at the end of five years. A number of these have been paying a 7% dividend for several years, and have shown capital gains of 20% to 30% a year.

Also available are open-end funds, with no limit to the amount of capital or life of the fund, investing in common stocks, and bond funds, investing only in bonds.

In their drive for new members, the brokerage houses appeal to the thrift of the Japanese housewives. Customers get small wooden boxes and drop their small change in them. Collectors pick up the boxes once a month and credit the customer with the amount. It's reported there are now two million of the boxes in use.

The reason for all this stock market fever is simple:

The Japanese economy is almost going wild with expansion and the forecasts are for even better days ahead.

The gross national product has risen by three and a half times in the past decade and probably will shoot up to nearly ten times the 1950 rate within ten years.

It's no wonder the butcher, the baker and the sukiyaki-maker are plunking their yen into the stock market. And the shares are cheap. Even the blue chips usually cost from fifty cents to $1.50 a share.

How can a Canadian get in on this? It's a little complicated and it's hard to follow the stock gyrations. But it could be both fun and profitable.

A number of Japanese brokerage houses have set up offices in the United States. Also there is a Bank of Tokyo office in Toronto which can provide information. And recently, the Japanese have made it easier to get your money out of Japan if you want to sell out.

In the near future, the United States may allow the issuance of American Depositary Receipts for 11 leading Japanese stocks which will make it much easier to invest in Japan if you want to.

Some of the big blue chip gainers on the Japanese market are these:

Honda Motors stock rose 44 times in value in the past three years;

Toyoda Machine rose 26 times in value in the same period;

Okuma Machinery Works rose 22 times;

Hitachi Machinery 22 times; Riken Optical 21 times; Oriental Yeast Industry 19 times.

The Tokyo Stock Exchange handles about 60% of all stock dealings in Japan. It began business in 1878. Today, the 2,000 white-shirted workers on the floor, scream, gesticulate and run back and forth surely like no other stock exchange in the world.

To prevent stockateering hanky panky, the Securities and Exchange officials of Japan keep a close eye on market fluctuations.

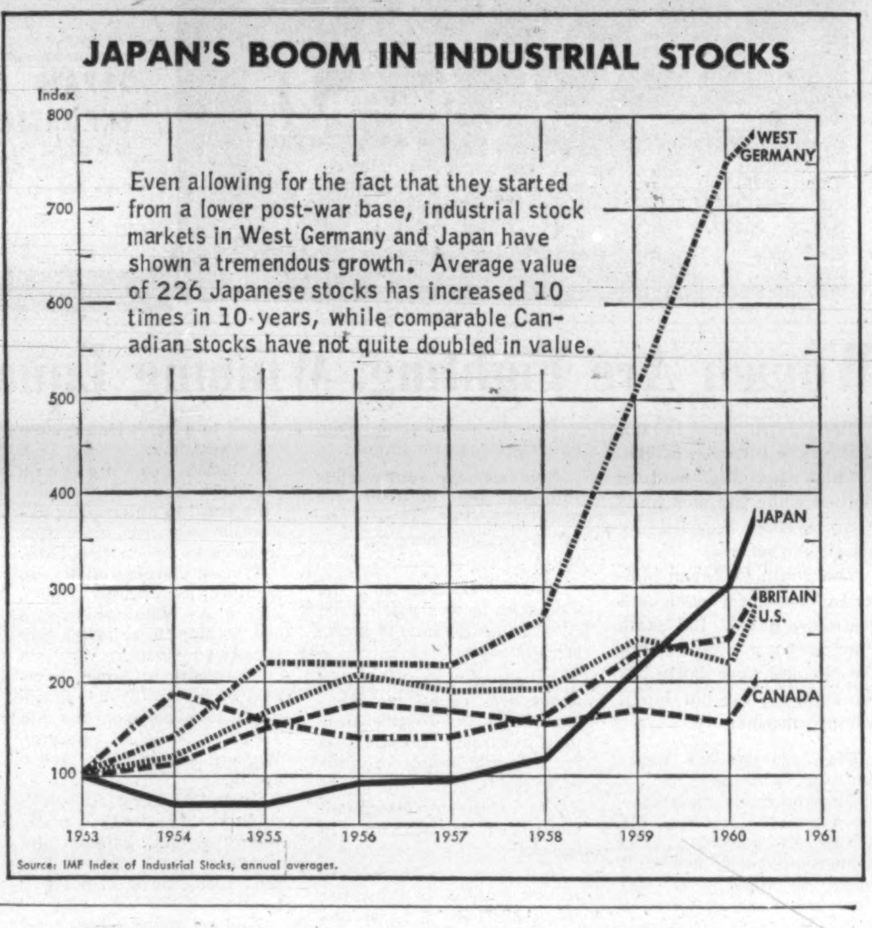
Under stock exchange rules if the value of a stock is 200 yen, it is allowed to rise no more than 50 yen per day. If value is 200-500 yen, the allowable rise is 80 yen. If value is 500-1,000 yen, the allowable rise is 100 yen. When these rises are reached, all the orders are held over to the next day.

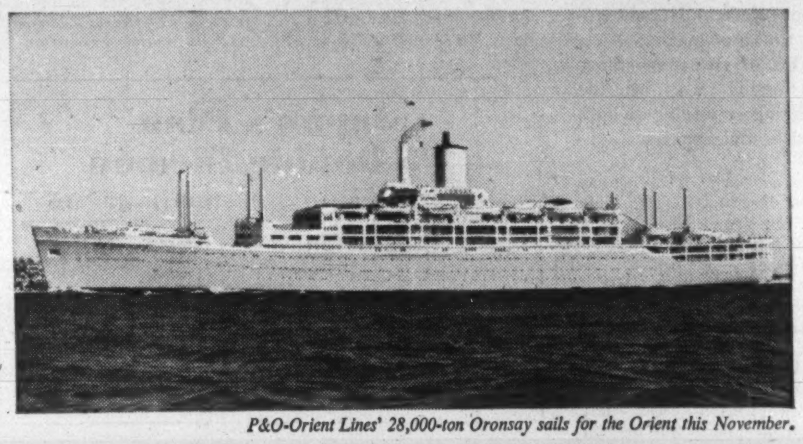
To cater to the rampant interest among housewives and white and blue collar workers, as well as the businessmen and wealthier investors, the Japanese brokerage houses maintain many offices. In Tokyo, for instance, there are about 515 broker branch offices scattered about the city in office buildings, department stores, and almost anywhere they can find space. From the time they open at ten to nine in the morning until closing in the afternoon, these offices usually are jammed with people following their stocks.

Almost one half of all the shares are owned by individuals in Japan.

Financial institutions own roughly 30%; investment trusts about 7%; securities dealers nearly 4%; other corporations 17%.

Foreigners own only about 1.5% of the Japanese shares. There are about 23,000 foreigners who own stock in the Japanese market.





P&O-Orient Lines' 28,000-ton Oronsay sails for the Orient this November.

Power Demand Grows, Cost a Big Problem

One of Japan's greatest needs is power. The demand is expected to increase by about 12% per year, reaching 129,700 million kw by 1964.

It will cost more than $5,000 million to expand power plants and transmit and distribute the power between now and 1964.

Japan is power hungry.

The first electric lamp was lit in Japan in 1878 and the lights have been blazing with increasing intensity ever since.

Today, the Ginza shopping area of Tokyo and other parts of Japan have more neon lighting than almost any city on earth.

In the bursting economy of Japan today, the consumption of power for toasters, refrigerators, and other household electric appliances, is leaping ahead.

But the most startling increase in power use is by Japanese industry.

If the economy is to be doubled in the next 10 years as the government plans, industry will experience a vast expansion in its already gargantuan appetite for power.

The problem is; where will it come from?

The answer is; partly from expansion of hydro power, although this is getting increasingly expensive; partly from increasing steam power; and eventually from nuclear power starting in 1970-80.

A further problem is: how to pay for new power expansion?

The answer is: through foreign investments in Japan's power industry, plus some increase in domestic investment.

Power demand in Japan is expected to increase by about 12% per year, reaching 129,700 million kwh by 1964.

In recent years, some spectacular power demand increases have been measured such as a 17% boost in 1959 and about a 16% increase in 1960.

The cost of meeting this fast-rising demand will be enormous. Only through foreign investment will the nine major Japanese power companies be able to finance the needed expansion.

More than $5,000 million will be needed to expand the power plants and transmit and distribute the power between now and 1964.

Estimates are that upward of one half of this money will have to come from foreign sources.

Since 1951, the nine Japanese power companies have spent about $4,000 million expanding their facilities. In the period 1960-1964, however, they must spend an average of $1,000 million a year to keep up with demand, instead of the past rate of slightly more than half that.

Japanese power company officials are so busy trying to find ways to meet their customers' demands of today that they hardly have time to think too much about the future role of nuclear energy in producing power.

Like most other countries, Japan has had to revise its atomic power estimates. At first, it was thought it might be available in quantity by 1970. This, however, has been pushed on to at least 1980.

Present plans are for Japan to be producing up to nearly 10 million kw through atomic energy by 1980; one million by 1970. The government plans to spend about $550 million for research in atomic power over the next decade.

By 1980 or shortly thereafter if the hydro power costs keep going up at the rate they have been in recent years, hydro and nuclear power may not be too far apart, although at first nuclear power will be considerably higher.

Japan also plans to build its first nuclear - powered ship between 1968 and 1970.

In the first 10 years of a 20 year program now under way in Japan, five nuclear power generators will be built to provide the one million kilowatts by 1970. More generators will be built in the second half of the program.

These plans represent a pull back in the earlier program for atomic power. The slowdown in making it available was caused primarily because of the drop in fuel prices and a consequent lowering of thermal power costs, and because atomic power costs could not be reduced so much as originally thought.

As to reactors, the Japanese seem to be turning toward the U. S. style reactor cooled with ordinary water, rather than the British Calder Hall type.

The Japanese started with Calder Hall but have lowered their enthusiasm for it.

If this attitude is maintained it probably means there will not be as large a potential business in Japan for Canada's uranium as some Canadian authorities had hoped.

Test Tractor For Canadian Market

Japan may crack the Canadian tractor market.

Japanese - made crawler tractors have been undergoing tests in Western Canada to see how they stand up to Canadian conditions.

A 23 ton vehicle has been tested at the **Alberta Coal Ltd.** strip mine in Taber, Alberta and a smaller tractor has been working at the **Empire Mining and Development Co.** iron ore strip mine on northern Vancouver Island.

If the Japanese machines stand up to Canadian needs, they may be distributed in British Columbia and the Prairies.

Canada, at present, makes no crawler tractors. Most of those Canada buys come from U.S. and the Japanese model would be lower in price.

The Japanese crawler tractors could be used effectively in mining Western Canadian coal, especially since Japan is a major Canadian coal customer.

It Pays To Hire Interpreter

Only a handful of Canadian businessmen have permanently set up shop in Japan.

But close to 1,000 a year are flying to Japan to drum up business.

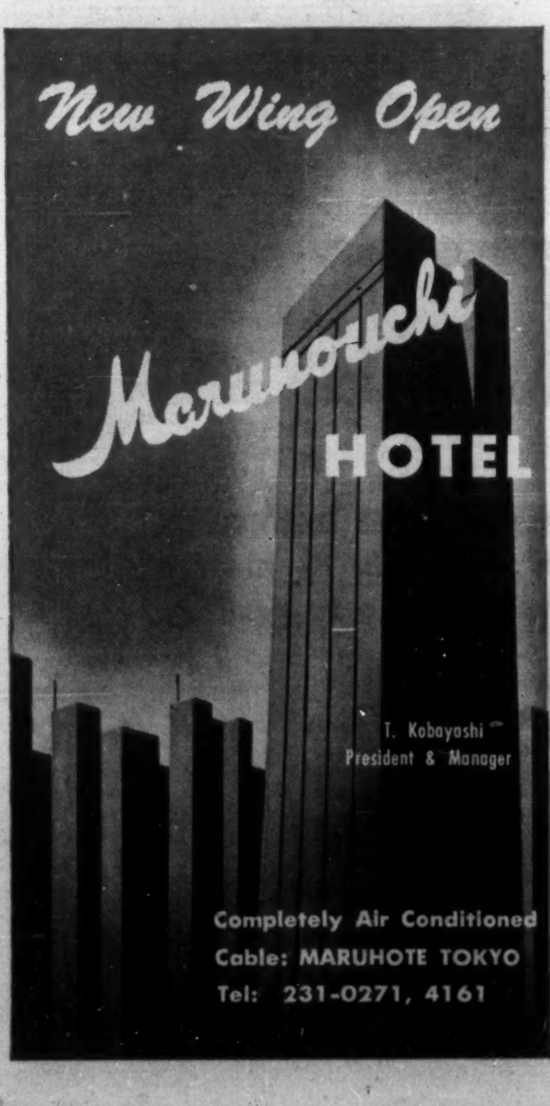
Those Canadian operations with full-time offices and officials in Japan include: the **Canadian Pacific Airlines** and **Canadian Pacific Steamships**; the **Aluminum Co. of Canada; Trans-Canada Air Lines; Canadian National Railways** (freight); and the **Canadian Wheat Board.**

The commercial offices of the Canadian Embassy in Tokyo provide help both to those with offices in Tokyo and the visiting businessmen, but especially the latter.

Some Canadians have their office calls arranged through Japanese banks or firms with which they work.

Others without a direct connection in Japan can arrange to see officials of Japanese firms and government agencies through the Canadian Embassy commercial office.

If you plan such a trip, it's a good idea to arrange for an interpreter to travel in Japan with you.



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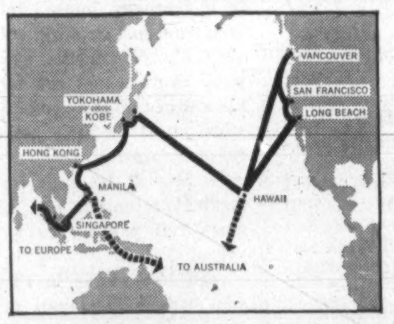

A few short days later you're in Honolulu where you can pick orchids, ride a surfboard or learn the hula. Seven days later you step ashore in Japan at Yokohama. (Suggestion: take the trip overland from Tokyo to Kobe on the beautiful Inland Sea where you can pick up your ship again three days later.) Your next stop is Hong Kong with its treasure-troves for shoppers.

The last port of call on your trip can be Manila, Singapore, Australia or even Europe, depending upon which ship you take.

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P&O-Orient's golden *Oronsay* sails from Vancouver October 29, the *Iberia* sails March 6, and the *Chusan* sails May 5.

There are return sailings through the Orient leaving Manila for Hong Kong, Japan, Hawaii and the West Coast in April and June.

Dates of other sailings are available upon request from your travel agent.

Round trip fares to Japan start at just $856 first class and $672 tourist class.

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Japan Still Buying More Goods Than She Sells

Imports Are Rising While Exports Ease

Japan imports more than she exports. In an effort to curb the splurge on imports, the Japanese government is pushing exports by getting businessmen to make a "hard-sell" pitch in foreign markets.

This year, Japanese exports will be worth $4,500 million. The difference between imports and exports is running about $450 million a year.

Like Canada, Japan must trade to live.

And for the past few years, Japan has been eating industrially high off the hog because of heavy imports.

PRIME MINISTER IKEDA

Prime Minister Hayato Ikeda, who was finance minister in the cabinet of former Prime Minister Shigeru Yoshida, has held almost every important economic job in the Japanese government. He is an expert on taxation. Prime Minister Ikeda would like to further integrate Japanese industry and trade with the Western nations.

Businessmen in Canada and other nations are only too well aware of how fast the Japanese exports have expanded. Eight years ago, exports were worth $1,200 million. This year, they'll be worth $4,500 million.

Even so, Japan imports more than she exports. The difference is running about $450 million a year. Japan however, more than makes up for this by earning foreign exchange from tourists, from the high-spending U. S. military operations in Japan and from foreign investment.

But times are changing. Imports this year have been shooting up faster than expected. Exports have fallen a little below expectations.

There is worry that the splurge on imports that hurt Japan in 1957 might be repeating itself this year or next.

In addition, with home consumption taking more of the Japanese production, it leaves less for foreign exchange earning exports.

To make it worse, as wages rise in Japan, competition gets rougher in the world markets, especially the fast-rising competition from the developing countries in such things as textiles, rubber shoes, bicycles and sewing machines. The growing trend toward quotas against Japanese goods is another serious worry.

Japan must import most of her raw materials (70% of iron ore; 98% of petroleum: about 100% of cotton and wool; 66% of salt and soya beans). She must have foreign exchange to pay for this and exports are the main source.

All is not gloom and doom, however. Far from it.

Exports this year will be bigger than ever, and tourists will roll into the Japanese treasury more money than they ever have before.

And the government is moving to get Japanese businessmen to make a "hard sell" pitch in foreign markets.

Japan also is changing its pattern of exports. Textiles are taking a smaller role.

Machinery exports are moving up. Higher quality goods are being shipped out, and new products are being tried.

The Japanese promotion of transistor radios, for instance, was a tremendous hit.

They may try the same thing with new transistor television sets.

Textiles remain the biggest single Japanese export, but this won't be true for long. Machinery exports are fast moving up.

They accounted for nearly 23% of all exports, compared with 30% for textiles.

There is a marked over-all trend in Japanese exports from light industry goods to heavy industrial items.

Asia remains the major market for Japanese products. It took 37% of all exports last year compared with nearly 33% for North America; 3% into Canada. Europe takes only 12% while Africa takes nearly 9%.

On the import sides, textile raw materials, mostly cotton from the U. S., is the leading item. It accounts for about 17.6% of all imports. Mineral fuels imports are next, mostly oil, followed by metal ore, animal and vegetable crude materials and then by food.

North America is the number one supplier to Japan, providing nearly 45% of all her imports, with 4% from Canada. Asia is next at 31%; Europe has 10% and Australia and Oceania 9%.

With the rapidly approaching full employment and high economy, Japan will have to sell harder in foreign markets than she has in the past to keep her head above water.

Imports are rising fast because of the booming economy, but to pay for them exports must also rise just as fast, and money must be obtained by tourism and foreign investment.

One foreign exchange-earning pillar will be diminishing in the years ahead with the expected gradual reduction in U. S. military forces spending in Japan. This now runs about $400 million a year.

Over the next 10 years, the experts figure Japan's exports will expand to about $9,300 million. Imports, however, will remain higher, at a 1970 figured annual rate of $9,800 million.

If the export-import rate remains at this level, the Japanese believe they will be more than able to keep their heads above water.

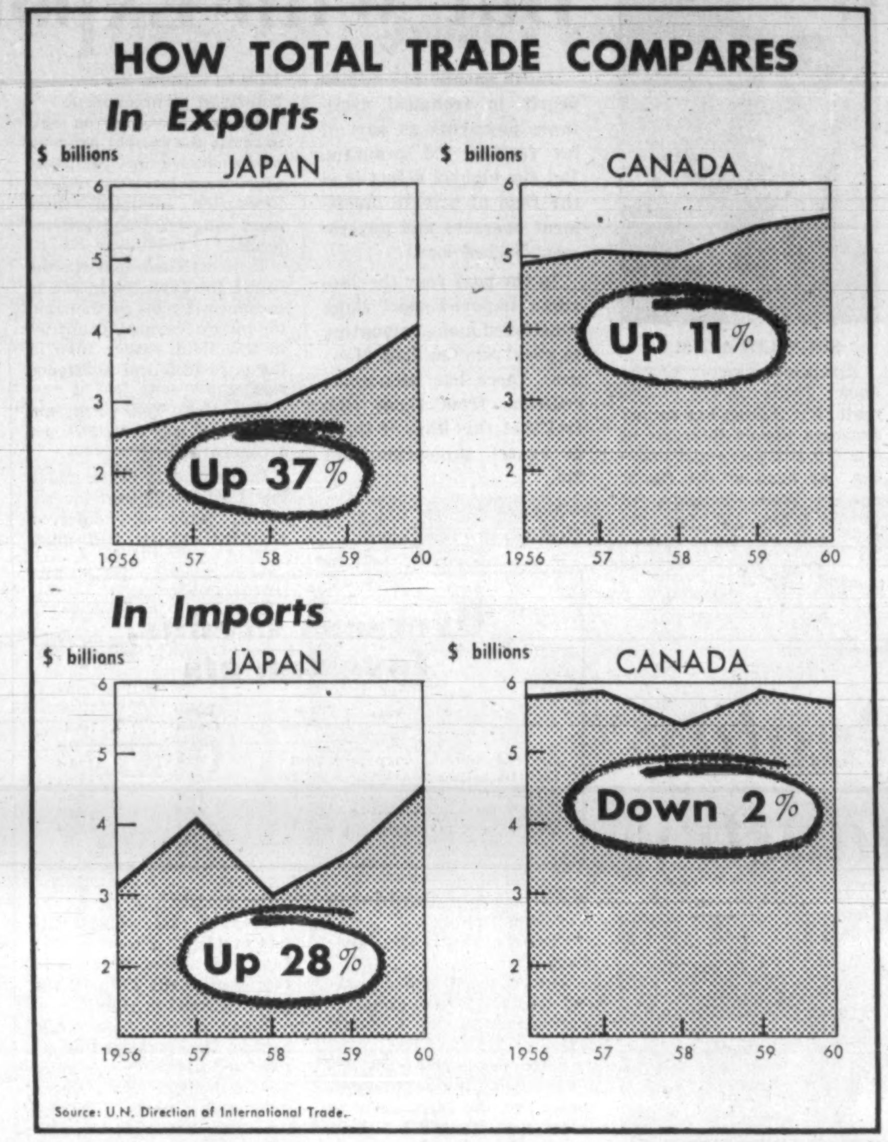
INSUTANO

The "insutano" era has arrived in Japan.

Almost everything **seems** to be "instant."

There is instant tea, instant coffee, instant **noodles,** instant won-ton soup, **instant** bean curd and instant **sukiyaki.**

Stock brokers sell **what's** called instant stocks and zippers are labeled instant buttons.



Source: U.N. Direction of International Trade.

Use of Aluminum On the Increase

The aluminum age is just beginning in Japan.

Although the industry has been in business about 60 years, the boom in aluminum use that Western countries have recorded in post-war years is only now arriving in Japan.

In the U.K., for instance, consumption is about 12 lb. of aluminum per capita while in Japan it is less than one pound.

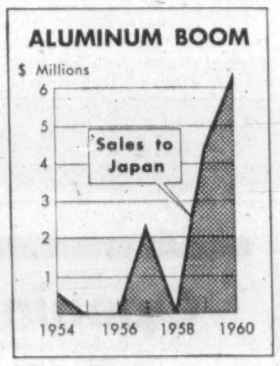
Now, however, more aluminum is going into Japanese homes, cars, utensils, machinery, buildings and instruments.

About 150,000 tons of aluminum were produced last year in Japan.

In five years, the industry expects this figure to be doubled. In 10 years, tripled.

Not only does this mean a three-fold increase in jobs and profit for the Japanese industry, but it also could mean a healthy increase in Canadian aluminum exports to Japan.

Right now, imports account for about 10% of total consumption. And of all the imports, Canada takes 70% of the business. Last year this was worth a total of $8.5 million.



Almost all our aluminum that goes to Japan comes from the Kitimat operation in northern B.C. although some special shipments are made from Arvida, Quebec.

Japan imports a considerable amount of scrap as well as primary aluminum.

The domestic producers feel they could produce all the aluminum that Japan needs without having to resort to imports.

Two new smelters soon will be operating in Japan to help meet the rising demand.

However, most experts figure Japan will continue to import large amounts of aluminum, mostly from Canada.

The government is releasing aluminum from previous licensing restrictions, although the duty has been increased. Exporters of aluminum to Japan figure that despite the higher duties, shipments to Japan should increase.

Japan is moving into the export business for finished aluminum products in a big way. Shipments are now about 10,000 tons of products a year, with the United States taking well over one half of these.

Huge Toy Export Business

Toys are big business in Japan.

An annual export business close to $100 million is being done in everything from teddy bears to moon rockets, with U.S. taking more than 60% of the shipments.

The toys are made largely in the Tokyo area by 300 medium and small factories.

In the fast-moving, cutthroat international toy market, the Japanese are striving to overcome the reputation of cheapness.

The toys remain inexpensive as in years gone by, but now novelty and quality are being stressed to beat the competition.

Metallic toys are the leading sellers, especially battery-operated toy animals.

With the space age upon us, the Japanese toy makers are busily cashing in on interest in things celestial with friction-operated moon rockets, four-engined jet liners and even radio-controlled robots.

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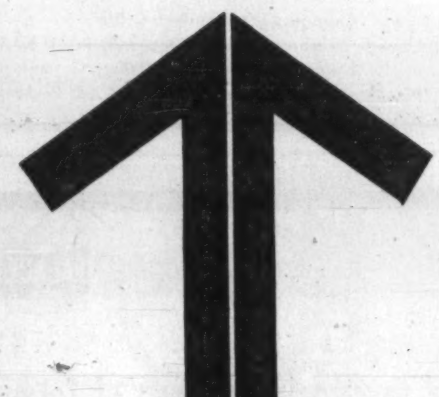

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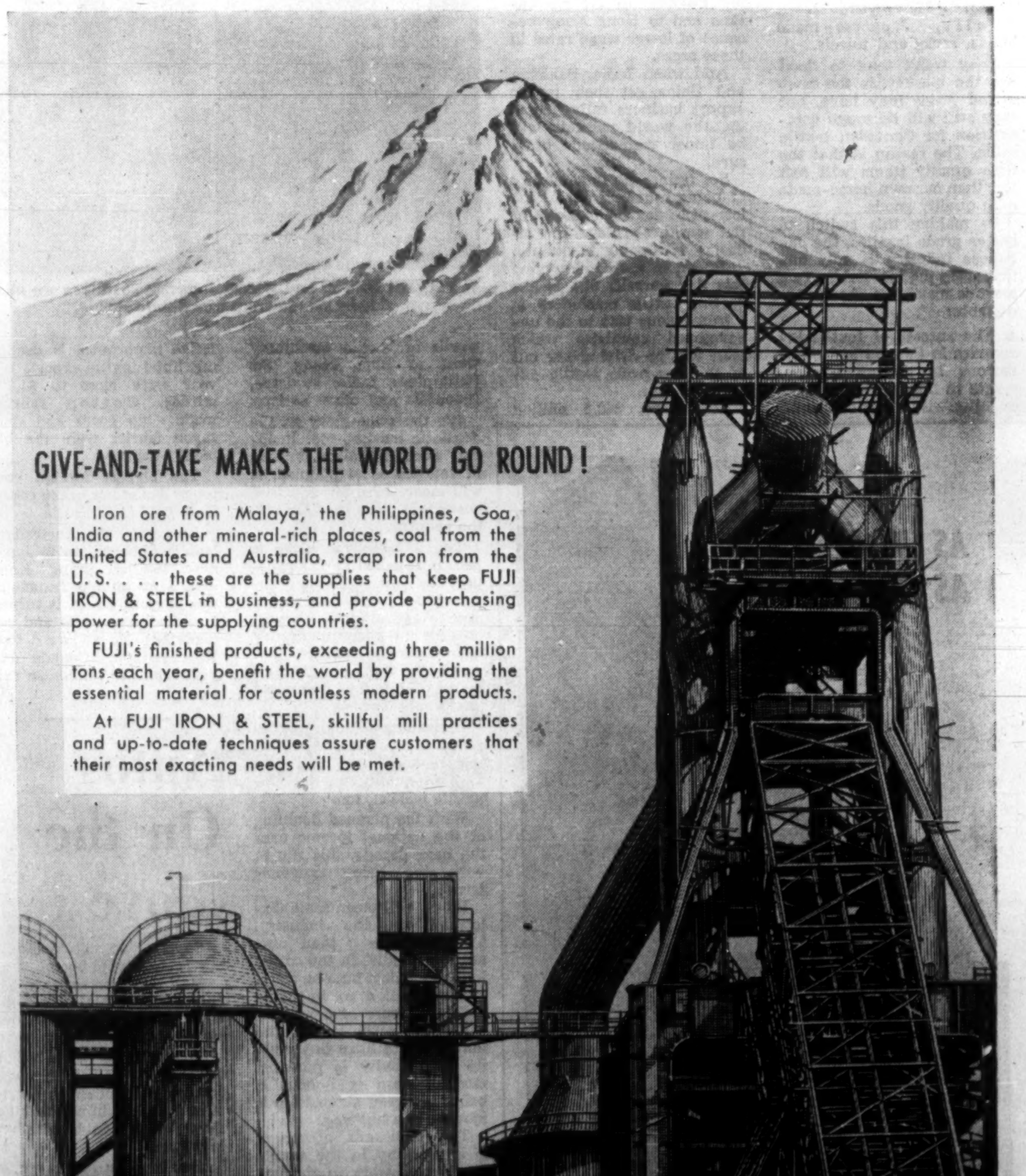

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ICHIRO KATAKAMI

Japanese consul at Toronto since 1959, Mr. Katakami has been in the Japanese foreign service during most of his career since graduating from Tokyo University in 1941. He was second secretary in Japan's embassy in Germany from 1952-54, and then served at headquarters of the Ministry of Foreign Affairs.

MUNEO TANABE

At Vancouver as Japanese consul for the last four years, Mr. Tanabe has been in the foreign service since 1938. He was appointed third secretary at the Japanese embassy in Turkey in 1942, and 12 years later became first secretary at the embassy in Ceylon. Mr. Tanabe is the author of two books on India.

NOBORO TAKASUGI

Following a term as chief of the Japanese government liaison office in Naha, Okinawa, Mr. Takasugi became consul at Winnipeg in 1959. Entering the foreign service in 1923, he served at Moscow, Vladivostok and Petropavlovsk in the Soviet Union, and at Prague. He was first secretary at the Japanese embassy in New Delhi from 1951-54, then was with the Immigration Office in Tokyo for two years.

SHUNICHI AZUMA

Executive director of the Japan Trade Centre in Toronto, Mr. Azuma has served Japanese export interests in Moscow, Brussels and Damascus. As head of the Osaka Foreign Trade Institute, he visited India, Pakistan, the Phillipines and West Africa. He speaks English, French and Chinese.

There's Big Switch to Quality For Japanese Textile Industry

Japan's textile industry is gradually switching from the 10c towel to higher quality products.

Although this will slow the flood of low-priced goods on the Canadian market they will still be tough competition, as the higher quality Japanese items will cost much less than our home-made high quality goods.

Big changes and big problems are ahead for the Japanese textile industry. The biggest change: to higher quality.

The Japanese-made $1.75 shirt, the .50c socks and the .10c towel will soon be a rare item.

Instead, you will find within a few years more quality Japanese-made shirts, socks and towels.

They won't tend to flood out the market as the low-priced goods may have, but they still will be tough competition for Canadian textile mills. The reason is that the high quality items will cost less than our own home-made high quality goods.

In making this switch to better grade textiles, the Japanese industry is only anticipating the inevitable. Two reasons make the change inevitable:

- **The success of textile industries in Canada** and other nations in getting governments to impose "voluntary" or otherwise restrictions on low-cost Japanese textiles;
- **The fast-rising competition in low-cost textiles** coming from Hong Kong, India, Pakistan, Formosa and similar nations, including China.

The Japanese textile industry is bitter about the quotas being slapped on against their products.

Industry officials don't like to have to change their ways which have been so profitable in the past. But, they know that even if the quota problem was not hung around their necks, a change would be necessary anyway because of reason number two.

The competition of the developing countries is going to be too fierce for the Japanese and they know it. Already they complain they are losing business to the Formosans and to Hong Kong because of lower wage rates in those areas.

And when India, Pakistan and China get their textile export business fully geared up, the world markets will be under tremendous pressure.

So, facing the inevitability of being squeezed out of the low-price textile markets of the world, the Japanese industry is turning to quality.

Japan, in fact, is hurrying this day herself. She is exporting textile machinery at a tremendous rate to the undeveloped countries which soon will be driving her out of the low-price textile export business.

Last year, $48.5 million worth of textile machinery went to Hong Kong, the Philippines, India, Pakistan, Indonesia and other nations.

It's the same story in the domestic market, too. If Japan does liberalize imports of textiles as is planned, it will mean these lower priced goods will come flooding into the country.

The Japanese industry is just as appalled at this prospect as the Canadian industry has been at the Japanese textile invasion. It's even possible the government may hear domestic industry demands for "voluntary" quotas against Indian, Formosan or Chinese textiles.

In turning to high quality goods for export, however, the Japanese also will turn to high quality for the domestic market, too.

With the planned doubling of the national income over the next decade, this fits in with the rising economic trend.

But it will mean some dislocation in the industry. There are more than nine million spindles in the cotton industry today, but one and a quarter million are in mothballs and more soon will be.

But while the size of the industry will have to shrink, its productivity is growing, more modern equipment is being used and automation is moving in a big way.

The thousands of young girls working in the textile plants now work in air conditioned surroundings and are getting more pay.

The factories, on the whole, are far more modern than most we have in Canada or in the U.S. And the Japanese intend to keep it that way.

Textiles will remain a big foreign exchange earner for Japan, even though their relative importance is declining. Total textile exports last year were close to $1,200 million. Cotton fabrics, made-up goods and spun rayon fabrics were the big money-makers.

The biggest foreign customer Japan has in the cotton cloth field is Australia.

Last year, the Australians bought $146 million in Japanese textiles. Hong Kong took $112 million (much of this in cloth which it turned into made-up goods and re-exported). Thailand took $104 million. Canada last year took $25 million in cotton.

WESTERN DRESS and typical Japanese costumes are seen side by side in front of a Shinto shrine.

Autos On the Move

Japan's automobile industry is starting to boom.

Half a million cars are being produced this year. Within 10 years, the production will be one million a year.

The country still has a long way to go before catching up with other industrialized nations in car-making, however. It's in tenth place right now.

But in production of buses, Japan is fourth in the world, and in trucks, she now is fifth, just ahead of France.

One feature of Japanese automotive production is the three wheel truck. A quarter of a million were made last year.

There are more than 600,000 of these unusual trucks now operating in Japan.

Big Foreign Aid Program But With Export Overtones

Japan spends $43 million yearly in technical assistance payments as part of its foreign aid program. But the biggest effort is in the field of private investment overseas and government-backed loans.

In the past year the Japanese Import-Export Bank sanctioned loans amounting to about $280 million. However, there has been some criticism from those who feel that this kind of thing is export promotion, not aid.

Japan's foreign aid program has two basic aims:

- **To lend a helping hand** to developing nations.
- **To help export more** Japanese goods.

Most of the straight technical assistance Japan gives operates through the Colombo Plan.

Since the government began contributing half a dozen years ago, the Japanese have spent more than $21 million on the Colombo Plan.

Hundreds of experts have been sent out to Thailand, India, Laos, Indonesia, Malaya, Ceylon, Burma, Cambodia, Nepal, North Borneo, Pakistan, the Philippines, Sarawak, Singapore and Viet Nam.

In addition, Japan has helped to train students and officials from these countries in specialist courses.

Right now, the Japanese technical assistance payments are running around $43 million a year. However, the big foreign aid effort by the Japanese is in field of private investment overseas and government-backed loans to promote exports.

This is where the effort runs into some criticism from those who feel this kind of thing is export promotion, not aid. It is the same criticism that has been hurled at the German economic aid program.

The Japanese Export-Import Bank has been the main channel of aid in facilitating commercial transactions through extension of deferred payment export loans.

In the past year, this Bank has sanctioned loans amounting to roughly $280 million. Most of this was for ordinary industrial plant exports.

There is pressure on now to revise the present policy of extending only relatively short-term loans for export production to make these loans long-term and low-interest.

It seems clear that for the future the Japanese intend to concentrate most of their aid to underdeveloped countries in this field, rather than in the pure technical assistance area.

The Ten Year Program now under way calls for such a concentration.

In the next 10 years, under the plan, Japanese investments, loans and deferred payment exports will grow tremendously.

By 1970, these will be valued at $2,130 million in that final year alone. This would represent about 2.9% of the gross national product.

Japan reasons that while helping less-developed countries to build their economies in this manner, as a government report notes, "The cooperation should be strengthened . . . for the purpose of expanding Japanese exports to these countries and securing the sources of the supply of requisite raw materials."

Japan herself has only recently stopped being on the receiving end of much foreign aid.

She still, in fact, receives some World Bank loans.

After the war, the U. S. pumped about $2,000 million into the Japanese economy.

Now, Uncle Sam wants some of this back. Tokyo, however, talks in terms of paying back only about $400 million while Washington wants more.

Another drain on the Japanese Treasury that will continue until 1976 is the payment of war reparations to such countries as Burma, Indonesia, the Philippines and Viet Nam.

So far Japan has paid these countries about $280 million.

Three times this figure, however, must still be paid.

Overseas Credits, Investments

Area	Direct Investment	Export Credits	Total
	($ millions)		
Southeast Asia	$ 38.0	$ 97.6	$135.6
Central & South America	67.2	55.9	123.1
Middle & Near East	32.1	72.0	104.1
Other Areas		64.6	64.6
Total	137.3	290.1	427.4

Largest Fish Market In Asia

The largest fish market in Asia is the colorful, aromatic, clean Tokyo Uogashi.

It handles 1,600 tons of fish a day and has been doing business since 1590.

At 4 a.m., 1,600 licensed brokers and 25,000 retail fishmongers start thronging through the fish market.

The public auction begins at 5:50 a.m. amid pandemonium unrestrained with brokers, fishmongers and customers shouting, gesticulating and dashing back and forth.

By 1 p.m., the excitement is over, the fish are gone and serenity returns to the Uogashi until four the next morning.

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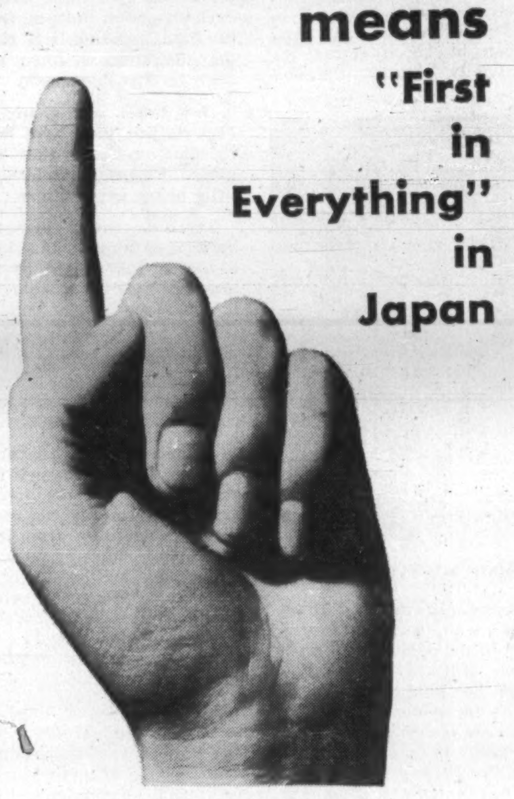

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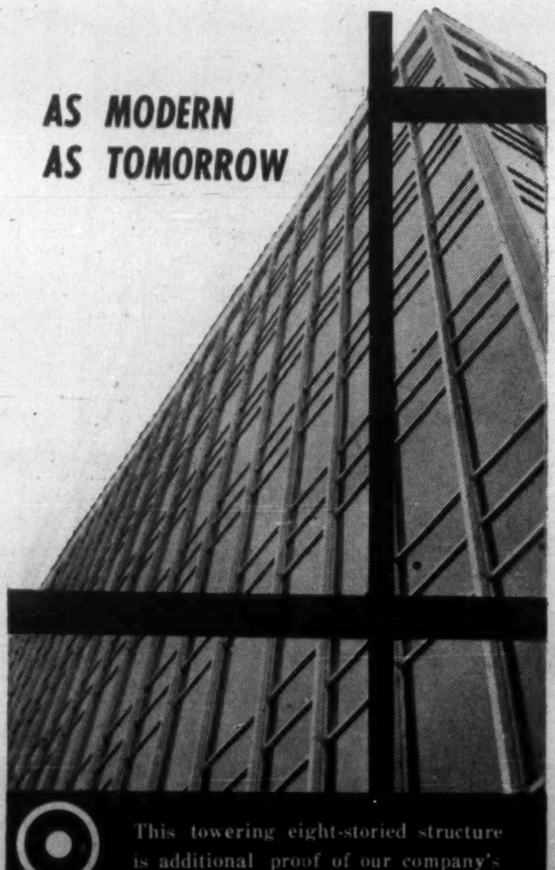

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The ultimate in modern facilities, unique location, outstanding food and gracious service.

Designed in keeping with the Imperial Palace theme, the new Palace Hotel features traditional Japanese docor combined with Western comfort. Interior decorations and furnishings are in harmony with traditional Japanese taste.

Main Office: Marunouchi, Tokyo
M. Tachibana, *Managing Director & General Manager*
Cable Address: "PALACEHOTEL TOKYO"

Can Total Population be Kept to 100 Million?

Birth Rate is Halved, Now Less Than Canadian

More than any country on earth, Japan has been trying to keep its population down.

Ninety three million Japanese live in an area about the size of Newfoundland.

You get a good idea of the pressures of population by trying to take a stroll along downtown Tokyo streets where frequently there is hardly room to take more than a half step at a time.

But Japan now has a population control success story second to none.

Look at this: in 1947 the birth rate was 34.3 per 1,000 population; today, it's less than one half of that.

In fact, Canadians are producing at a much faster rate than the Japanese. Our figure is about 28 per 1,000; the Japanese a little over 17 per 1,000.

Government officials in Tokyo, in fact, look with total horror on such things as Canada's baby bonus program. The Japanese government outlook is totally in reverse.

The population, of course, still is going up. At 93 million today, it's 10 million above a decade ago, even with the falling birth rate. It will be 100 million by 1970 and a foreseeable top of 108 million by 1985. After that, if the experts are right, the population will start falling back to under 100 million by 2015.

But there is a problem: abortion.

It's legal in Japan under certain relatively easy conditions. The legal and illegal abortions today run more than two million a year. That's far more than births.

The government and private groups, however, have launched a mammoth "family planning" campaign. Birth control clinics have been established all over the country.

Nurses and midwives are educating literally millions of wives in family planning. And this is working to cut down the population.

Still, the big credit for the dramatic fall in the Japanese birth rate goes to the abortion level. Officials believe this will fall as years go by and as birth control practices become more widespread.

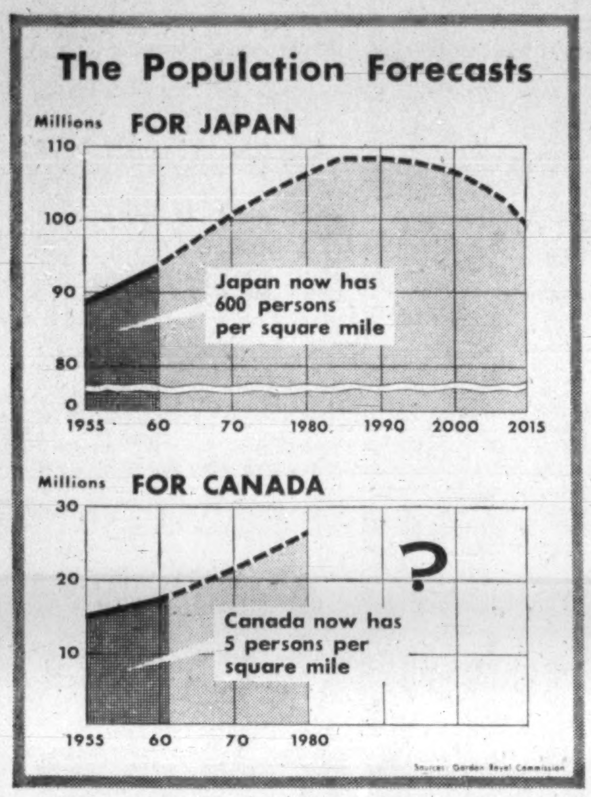
For a time, many Japanese thought the solution to their population problem was in migration or expansion. Some migration has occurred, especially to Latin America, but it is difficult and politically unpalatable.

Expansionism was tried by the militarists which led to war.

When the postwar population explosion was at its worst, the Japanese finally decided they had to solve their problem right at home.

As a result, abortion was made legal for many and the birth control campaign started in earnest.

There was a time when economists and social planners felt Japan could not possibly support a population of 100 million. Now they've changed their minds. They consider this about an ideal maximum figure, and their entire family planning program is aimed at keeping close to this level.



Sources: Gordon Royal Commission

Japan's Population

Year	Total population (Million)	Birth rate (per 1,000)	Death rate (per 1,000)	Natural increase rate (per 1,000)
1950	83.2	28.33	10.92	17.41
1955	89.1	20.38	9.06	11.32
1960	93.7	17.08	8.43	8.65
1965	97.3	15.53	8.46	7.07
1970	100.6	15.31	8.82	6.49
1975	103.8	15.17	9.57	5.60
1980	106.4	14.27	10.35	3.92
1985	108.0	13.00	11.12	1.88
1990	108.4	11.95	11.92	0.03
1995	108.0	11.45	12.86	—1.41
2000	106.9	11.35	14.01	—2.66
2005	105.2	11.32	15.36	—4.04
2010	102.7	11.14	16.65	—5.51
2015	99.5	10.88	17.87	—6.99

EVERYWHERE there are crowds. Here are enthusiastic youngsters watching baseball at a school athletic meet.

2,000 Trains Daily

A new $480-million railway system is being built in Japan.

It will be ready by 1965 and will run the 310 mi. through the commercial heart of Japan from Tokyo to Osaka.

The electric trains on the line will average 105 mph, but will be able to go as high as 124 mph.

This new line is necessary because train traffic between Tokyo and Osaka is so crowded that not one more daily train can be added. Tokyo station already has 2,000 trains arriving and departing every day.

The high - speed, ultramodern new line will have a minimum number of stops and efforts are being made to find a way of building the 310 mi. of track with a minimum of joints.

Railways are the key transportation system in Japan, carrying about one half of all passengers and freight. The publicly-owned railway system has about 12,000mi. of track and the private systems about 5,000.

The Japanese trains have a world-wide reputation for being on time.

They've been having some money - troubles recently, however, largely because of the 60% to 80% discounts that are given to many working people and school children under government order.

There has been some talk of reducing these subsidies, but because of its delicate political implications, the matter has been repeatedly shelved.

Double Pearl Sales

Canadians will buy probably more than $700,000 worth of Japanese cultured pearls this year.

This is almost twice as much as we bought a few years ago. The Japanese pearl export business is booming with the 1961 exports forecast at more than $30 million. In 1955 the figure was one third of this.

The U.S. is the big buyer of the Japanese pearls, taking about 47% last year of total exports. Switzerland and West Germany are next in line as Japan's pearl customers.

Almost all of the cultured pearls produced in Japan—97%—are exported. Millions of dollars worth are purchased by visiting tourists or businessmen taking home presents for their wives.

A new pearl wrinkle has been added in Japan with the introduction of black pearls. These are having considerable popularity in Europe.

The black pearls are made by exposing an ordinary pearl with 100,000 Roentgen of gamma rays of Cobalt 60 for about 16 hours. The black pearl trend could be the new rage for milady.

They are, however, much more expensive than the ordinary cultured pearl that Mr. Mikimoto introduced at the turn of the century.

Pearl necklaces, which are favored by most women, cost anywhere from $10-$15 up into the thousands. It depends on the size and lustre of the pearl.

These high class exports from Japan, however, may run into trouble next year. Production may be down this year because of tidal waves and typhoons which hit Japan in 1959. This could mean fewer pearls and higher prices come 1962 when this year's production goes on sale.

In the future, however, the Japanese may have a way out of the problem of natural calamities hitting the industry.

Experiments are being carried out to see if pearls can be cultivated by using radioactive rays.

Unions Form a Solid Front

Japan's labor unions are loud and many.

They are far more fervent in their political activities than unions in Canada and most other countries.

The ability to call tens of thousands of workers out for demonstrations shows the power unions have to influence public affairs.

There are close to eight million members in Japan, roughly 35% of all employed labor.

Japan, in fact, ranks third after the U. S. and Britain in union membership.

But in the number of unions, Japan has the lead all to herself. There are more than 41,000 unions in Japan.

The average number of members per union is 184. In Britain the average number per union is 14,000, and in the U. S. it is 95,000.

And the number of Japanese unions continues to grow, while their individual memberships continue to shrink.

For instance, the average number per union eight years ago was 10 more than it is today. And the number of unions increased by 2,258 from 1959 to 1960.

The reason for this is that in Japan each enterprise has its own independent labor union which sometimes is on a very small scale. These unions, however, are not usually company unions.

While there are so many small unions in Japan, labor also has its big federations. Biggest is the General Council of Japan Trade Unions (Sohyo) to which one half of the organized workers belong.

About 73% of its membership is filled with government and public workers and teachers.

Number two labor voice in Japan is the Japan Trade Union Congress (Zenro), representing 12% of organized labor. The National Federation of Industrial, Organizations is a third voice but very weak, representing only a small number of workers.

In addition to these there are some independent national unions who represent about 38% of the organized workers.

Last year Japanese workers paid about $5.5 million in dues into the union treasuries, an 18% boost over the previous year. The average union fee is about 73c a month.

This is a lot less than union dues in most industralized countries and, on a basis of percentage of pay it runs about 1.37% of the monthly pay.

A 'Clock' Every Two Seconds

Every two seconds a clock or watch is made in Japan.

About 15 million timepieces are being produced this year, well above last year's rate, and three times the prewar high.

There are over 40 producers in Japan, although only four big-time watch makers, the rest concentrating on clocks.

Until now, exports have played only a small role in the industry.

But this year, they are running at about 13% of total production. This will be a 35% increase over last year's foreign shipments.

The Japanese believe they are getting a strong foothold in the watch and clock market even against the tough competition from the Swiss and Germans.

The production in Japan includes everything from wrist watches to transistor clocks, including many that are self - winding, shockproof, heatproof and waterproof.

Pulse Changes With Style

The Japanese woman gets excited when she puts on a kimono.

That's the report from a research project carried out by government scientists.

They say the pulse of a woman rises from an average count of 100 to 112 beats per minute when she changes from western dress into a kimono.

This is good news for the kimono-makers of Japan who have been worried about the trend toward western-style dresses.

The manufacturers are launching a campaign to encourage more Japanese women to wear kimonos on social occasions and in the home.

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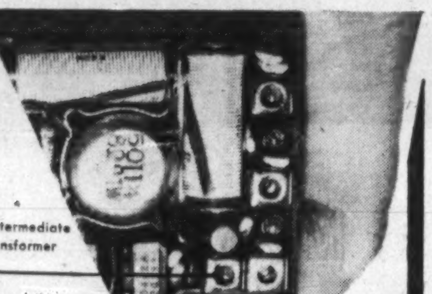

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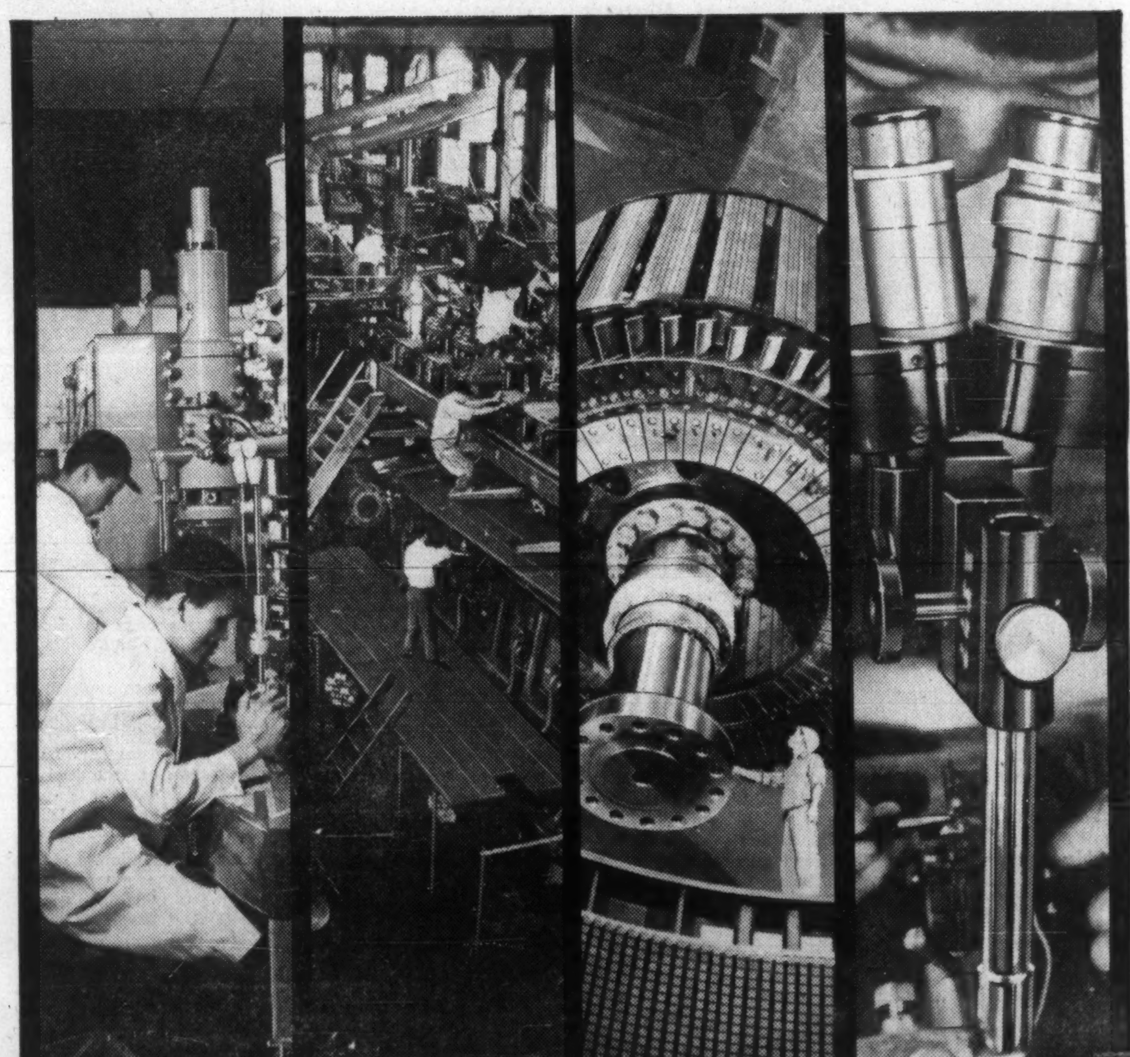
九億弗

(or, in English, $900,000,000!)



INDUSTRIAL JAPAN HAS MORE TO OFFER

NEW LINES OF INDUSTRY

In April, May and June of this year the Japanese machinery industry is estimated to have received more than $900,000,000 in orders from all parts of the world — a big increase over the corresponding period a year ago. This activity is indicative of the growing predominance of Japan in the manufacturing and marketing of all types of precision machinery.

WIDE RANGE OF MACHINERY

World demand is increasing for Japanese-made teleprinter equipment, electronic equipment, optical instruments, automatic switchboards, shortwave wireless equipment as well as for aviation and navigation radio parts, turbines, boilers for electric generating, combustion engines for agriculture and marine use, machine lathes and drills and other types of precision machine tools.

QUALITY AND ADVANCED DESIGN

Growth of Japan's shipbuilding industry to global leadership spearheaded the development of the nation's machinery industry. This has attracted world recognition to Japanese machinery for advanced quality, improved design and dependability.

Japanese skills, technology and scientific achievement have brought important growth in production facilities for a wide range of these machinery products. Japan has much to offer in this high-grade equipment field.

More information on Japan's machinery manufacturing industries may be obtained from—

THE JAPAN TRADE CENTRE

83 YONGE STREET, TORONTO

JAPAN EXTERNAL TRADE ORGANIZATION

TOKYO